

NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR
FOR
ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
OF
HYTN INNOVATIONS INC.

Dated Effective April 18, 2024

HYTN INNOVATIONS INC.

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “**Meeting**”) of the shareholders of HYTN Innovations Inc. (the “**Company**”) will be held at 11:00 a.m. PST on Thursday, May 23, 2024, at 6th Floor – 905 West Pender Street, Vancouver, BC V6C 1L6 for the following purposes:

1. to receive the audited consolidated financial statements of the Company for the fiscal years ended September 30, 2023 and 2022, together with the auditor’s report thereon;
2. to set the number of directors at three (3);
3. to elect directors for the ensuing year;
4. to appoint Crowe MacKay LLP as the auditor for the Company for the ensuing year and to authorize the directors to fix their remuneration;
5. to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution to approve the Company’s omnibus equity incentive plan as more particularly described in the information circular (the “**Circular**”) which is attached to this Notice of Meeting; and
6. to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the Circular, which is attached to this Notice of Meeting. Shareholders may be asked to consider other items of business that may be properly brought before the meeting.

Accompanying the Notice of Meeting is a proxy or voting instruction form (“**VIF**”), as applicable, enabling you to vote at the Meeting. Please review the Circular prior to voting.

Shareholders are encouraged to vote on the matters before the Meeting by proxy.

Dated at Vancouver, British Columbia, this 18th day of April, 2024

ON BEHALF OF THE BOARD OF DIRECTORS,

“Elliot McKerr”
Elliot McKerr
CEO and Director

HYTN INNOVATIONS INC.

Management Information Circular

Dated: April 18, 2024

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of HYTN Innovations Inc. (the “**Company**”) for use at the annual general and special meeting (the “**Meeting**”) of shareholders of the Company to be held at 11:00 a.m. PDT on Thursday, May 23, 2024, at 6th Floor, 905 West Pender Street, Vancouver, BC V6C 1L6 and at any adjournments thereof for the purposes set out in the accompanying Notice of Meeting.

The board of directors of the Company (the “**Board of Directors**”) has fixed the record date for the Meeting as of the close of business on April 9, 2024 (the “**Record Date**”). Shareholders of record as of the Record Date are entitled to receive notice of the Meeting. Shareholders of record will be entitled to vote those Shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date.

Shareholders are encouraged to vote on the matters before the Meeting by proxy.

GENERAL PROXY INFORMATION

Shareholders who do not hold their Shares in their own name, as registered shareholders, should read "Advice to Beneficial Shareholders" within for an explanation of their rights.

Persons Making the Solicitation

This Circular is furnished in connection with the solicitation of proxies by management of the Company for use at the Meeting to be held on May 23, 2024 at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by directors, officers and employees of the Company. All costs of this solicitation will be borne by the Company. The contents and the sending of this Information Circular have been approved by the Directors of the Company.

Appointment of Proxy

Registered shareholders are entitled to vote at the Meeting. A shareholder is entitled to one vote for each common share that such shareholder holds on the Record Date on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting. The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY. TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE

INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by the Company's registrar and transfer agent, Odyssey Trust Company (the "**Transfer Agent**") at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. **Those shareholders who wish to be represented at the Meeting by proxy must complete and deliver a proxy to the Transfer Agent using one of the following methods: (i) by mail or delivery to 350 – 409 Granville Street Vancouver BC V6C 1T2, Attention: Proxy Department; or (ii) by following the voting link provided on the form of proxy.** A proxy may not be valid unless it is dated and signed by the shareholder who is giving it or by that shareholder's attorney-in-fact duly authorized by that shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders, or by an officer or attorney-in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing (a) executed by that shareholder or by that shareholder's attorney-in-fact authorized in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation and (b) delivered either: (i) to the offices of the Transfer Agent at 350 – 409 Granville Street Vancouver BC V6C 1T2, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof; (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof; or (iii) in any other manner provided by law. Also, a proxy will automatically be revoked by either: (a) attendance at the Meeting and participation in a poll (ballot) by a shareholder; or (b) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Shares and Proxies and Exercise of Discretion by Designated Persons

A shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Shares represented will be voted or withheld from the vote on that matter accordingly. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those shareholders who do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Circular as “Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided by a broker, then in almost all cases those Shares will not be registered in the Beneficial Shareholder’s name on the records of the Company. Such Shares will more likely be registered under the names of the Beneficial Shareholder’s broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.

The Company does not have access to names of all of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. If Beneficial Shareholders receive the voting instruction forms from Broadridge, they are requested to complete and return the voting instruction forms to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge’s dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the applicable Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his, her or its broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered shareholder and vote the Shares

in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the registered shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his, her or its Shares.

Beneficial Shareholders consist of non-objecting beneficial owners and objecting beneficial owners. A non-objecting beneficial owner is a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner does not object, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators ("**National Instrument 54-101**"). An objecting beneficial owner means a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner objects, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101.

The Company is sending proxy-related materials indirectly to non-objecting beneficial owners of the Shares. The Company will not pay for the delivery of proxy-related materials to objecting beneficial owners of the Shares. The objecting beneficial owners of the Shares will not receive the materials unless their intermediary assumes the costs of delivery.

The Company is not relying on the "Notice-and-Access" delivery procedures outlined in National Instrument 54-101 to distribute copies of the proxy related materials in connection with the Meeting.

Unless otherwise indicated in this Information Circular and in the form of proxy and Notice of Meeting attached hereto, shareholders shall mean registered shareholders.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor and as set out herein.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Shares. As at the date of this Circular, there are 77,350,507 common shares (each, a "**Share**") issued and outstanding, with each Share entitled to one vote at the Meeting. April 9, 2024 has been fixed by the Board of Directors as the record date for the purpose of determining those Shareholders entitled to receive notice of and to vote at the Meeting.

To the knowledge of the directors and senior officers of the Company, as at the date hereof, there are no

persons that beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the issued and outstanding Shares of the Company, except the following:

| Name | No. of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly | Percentage of Outstanding Shares ⁽¹⁾ |
|-----------------------|--|---|
| 1428 Investments Inc. | 11,940,667 ⁽²⁾ | 15.4% |

Notes:

- (1) Based on the 77,350,507 Shares issued and outstanding as of the date of this Circular.
- (2) Shares beneficially directly or indirectly owned or over which control or direction is exercised, at the date of this Circular, based upon information obtained from the System for Electronic Disclosure by Insiders (“SEDI”).

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board of Directors, the only matters to be placed before the Meeting are those matters set forth in the accompanying Notice of Meeting.

Presentation of the Audited Consolidated Financial Statements for the Fiscal Years ended September 30, 2023, 2022 and 2021.

The audited consolidated financial statements of the Company for the fiscal years ended September 30, 2023, 2022 and 2021, together with the report of the auditor thereon, and the related management discussion and analysis, will be placed before the Shareholders at the Meeting. The annual financial statements of the Company were filed under the Company’s profile at www.sedarplus.ca and mailed to Shareholders in accordance with applicable laws and written instructions received from Shareholders or intermediaries. Additional copies may be obtained from the Company upon request and will be available at the Meeting. No action is required to be taken at the Meeting with respect to the financial statements.

I. Determination of Number of Directors

The directors are elected at each annual general meeting to hold office until the next annual general meeting or until their successors are duly elected or appointed, unless such office is earlier vacated in accordance with the Articles of the Company or a director becomes disqualified to act as a director. The authority to determine the number of directors of the Company rests with the shareholders. The Articles of the Company provide that the number of directors, excluding additional directors, may be fixed or changed from time to time by ordinary resolution whether previous notice thereof has been given or not. It is intended to fix the number of directors at three (3) for the ensuing year.

Unless otherwise directed, the directors or officers named in the Proxy intend to vote FOR the resolution to set the number of directors of the Company at three (3).

II. Election of Directors

The Board of Directors is currently composed of three (3) directors. At the Meeting, management proposes to nominate each of the persons named below for election as directors to hold office until the next annual general meeting of shareholders or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) or the Company’s articles.

Unless otherwise directed, the directors or officers named in the Proxy intend to vote FOR the election

of the four management nominees named in the table below.

The following table sets out the names of persons nominated by management for election as directors, each nominee's principal occupation, business or employment, the period of time during which each has been a director of the Company and the number of Shares beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date of this Circular:

| Name of Proposed Nominee, Province, Country of Residence and Proposed Position with the Company | Director Since | Principal Occupation During Last Five Years | Number of Shares Controlled ⁽¹⁾ |
|---|-------------------|---|--|
| Elliot McKerr⁽²⁾ British Columbia, Canada <i>Director and Chief Executive Officer</i> | February 17, 2022 | Director and CEO of the Company since February 17, 2022; Founder and President of Full Pint Ventures from January 2016 to January 2021; Founder and Director of Electric Bicycle Brewing Inc. since January 2016 | 4,533,333 |
| Jason Broome⁽²⁾ British Columbia, Canada <i>Director</i> | February 17, 2022 | Director and COO of the Company since February 17, 2022; Chief Research and Innovation Officer of The Flowr Corporation from March 2019 to January 2020 | 4,533,333 |
| Eli Dusenbury⁽²⁾ British Columbia, Canada <i>Director</i> | October 22, 2021 | Director of the Company since October 22, 2021; Chartered Professional Accountant and CFO of various public companies - CFO (February 2024 to Present) and Director of KR Investment Ltd. (October 2023 to Present), CFO of Alpha Metaverse Technologies Inc. (June 2020 to Present), CFO of Telecure Technologies Inc. (December 2020 to Present), CFO (September 2020 to December 2021) and Director of Pan American Energy Corp. (April 2021 to November 2022), CFO of HAVN Life Sciences Inc. (April 2020 to July 2021), CFO of Chemosis International Inc. (September 2018 to June 2020), CFO of Isodiol International Inc. (July 2018 to June 2020) and CFO of IMC International Mining Corp. (September 2018 to February 2020) | 500,000 |

Notes:

- (1) Shares beneficially directly or indirectly owned or over which control or direction is exercised, at the date of this Circular, based upon information furnished to the Company by the individual directors or obtained from SEDI.
- (2) Member of the Audit Committee.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the best of management of the Company's knowledge, other than as described herein, no proposed director is, at the date hereof, or has been within the last ten years a director, chief executive officer or chief financial officer of any company (including the Company) that:

- while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (hereinafter referred to as an "**Order**");
- after that person ceased to be a director or executive officer was subject to an Order which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer; or
- while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, become 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.

Except as noted below, to the knowledge of the Company, no proposed director:

- (a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that,
 - (i) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
 - (ii) after that person had ceased to act in that capacity, but in respect of an event that occurred while the proposed director was so acting, resulted in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
 - (iii) 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 of this Circular, 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 proposed director.

On July 8, 2022, the British Columbia Securities Commission (the "**BCSC**") issued a cease trade order against Telecure Technologies Inc. ("**Telecure**") for failure to file audited financial statements and accompanying management's discussion and analysis and certifications for the year ended December 31, 2021 and interim financial statements and accompanying management's discussion and analysis and certifications for the period ended March 31, 2022 within the required time period. Eli Dusenbery was the Chief Financial Officer of Telecure at the time of the cease trade order. The cease trade order currently

remains in place.

On May 3, 2022, the BCSC issued a management cease trade order against Josh Rosenberg, Eli Dusenbury and Telecure for failure to file audited financial statements and accompanying management's discussion and analysis for the year ended December 31, 2021 within the required time period. Eli Dusenbury was the Chief Financial Officer of Telecure at the time of the management cease trade order. The management cease trade order currently remains in place.

On January 11, 2022, the BCSC issued a cease trade order against Chemesis International Inc. (now Refined Energy Corp.) ("**Chemesis**") for failure to file audited financial statements and accompanying management's discussion and analysis and certifications for the year ended June 30, 2021 and interim financial statements and accompanying management's discussion and analysis and certifications for the period ended September 30, 2021 within the required time period. Eli Dusenbury was the Chief Financial Officer of Chemesis at the time of the management cease trade order. The cease trade order was revoked on March 29, 2022.

On October 29, 2021, the BCSC issued a management cease trade order against Edgar Montero, Eli Dusenbury and Chemesis for failure to file audited financial statements and accompanying management's discussion and analysis for the year ended June 30, 2021 within the required time period. Eli Dusenbury was the Chief Financial Officer of Chemesis at the time of the management cease trade order. The management cease trade order was revoked on March 29, 2022.

Additional Information about the Board

For additional information about the Board of Directors, including compensation, corporate governance practices, independence and directorships, please see *Statement of Executive Compensation and Corporate Governance Disclosure*.

III. Appointment of Auditor

Crowe MacKay LLP, of 1177 W Hastings St, Vancouver, BC V6E 4T5, has been the auditor of the Company since September 30, 2022. The Board of Directors recommends that Crowe MacKay LLP be reappointed as auditor of the Company, with their remuneration to be fixed by the Board.

Unless otherwise directed, the directors or officers named in the Proxy intend to vote FOR the reappointment of Crowe MacKay LLP as auditors of the Company for the ensuing year.

IV. Approval of Equity Incentive Plan

On February 17, 2022, the Board of Directors approved the Company's Omnibus Equity Incentive Plan (the "**Plan**") dated February 16, 2022. At the Meeting, Shareholders will be asked to approve the Plan.

The purpose of the Plan is to provide an incentive to directors, officers, employees and consultants to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

The following summary of the Plan does not purport to be complete and is qualified in its entirety by reference to Plan. A copy of the Plan is annexed hereto as Schedule "A".

The Plan is administered by the Nominating, Governance and Compensation Committee (in this section, the “**Plan Administrator**”) and will provide that the Plan Administrator may from time to time, in its discretion, and in accordance with CSE requirements, grant to eligible Participants (as defined in the Plan), non-transferable awards (the “**Awards**”). Such Awards include options (“**Options**”), deferred share units (“**DSUs**”), restricted share units (“**RSUs**”), performance share units (“**PSUs**”) and other share-based awards.

The number of Common Shares reserved for issuance pursuant to Awards granted under the Plan will not, in the aggregate, exceed 10% of the then issued and outstanding Common Shares on a rolling basis.

The maximum number of Common Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Common Shares, unless disinterested shareholder approval as required by the policies of the CSE is obtained, or 2% in the case of a grant of Awards to any consultant or persons (in the aggregate) retained to provide Investor Relations Activities (as defined by the CSE). Further, unless disinterested shareholder approval as required by the policies of the CSE is obtained: (i) the maximum number of Common Shares for which Awards may be issued to insiders of the Company (as a group) at any point in time shall not exceed 10% of the outstanding Common Shares; and (ii) the aggregate number of Awards granted to insiders of the Company (as a group), within any 12-month period, shall not exceed 10% of the outstanding Common Shares.

The following information is intended to be a brief description and summary of the material features of the Plan:

- (a) Awards can be issued to persons who are directors, senior officers, employees and consultants of, or employees of management companies providing services to, the Company or any of its subsidiaries;
- (b) an RSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share for each RSU after a specified vesting period;
- (c) a DSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share for each DSU on a future date, generally upon termination of service with the Company;
- (d) a PSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share for each PSU on a future date, generally upon the achievement of certain performance goals within the Company;
- (e) the exercise price of any Common Share in respect of which an Option may be granted under the Plan shall be fixed by the Plan Administrator but in all cases shall not be less than the greater of the closing price of the Common Shares on (i) the trading day prior to the date of grant of the Option, and (ii) the date of grant of the Option;
- (f) the Plan Administrator has the authority to determine the vesting terms applicable to grants of Awards;

- (g) upon expiry of an Option, or if an Option is otherwise terminated for any reason without having been exercised in full, the number of Common Shares in respect of the expired or terminated Option shall again be available for the purpose of the Plan;
- (h) all Awards granted under the Plan may not have an expiry date exceeding ten years from the date such Awards are granted;
- (i) if the holder of an Award ceases to be (other than by reason of death or a change of control of the Company) an eligible recipient of Plan Awards, then the Award granted shall expire within a reasonable period of time following the date that the holder ceased to be an eligible recipient of Award. Such reasonable period shall be determined by the Plan Administrator, but in any event shall not exceed (i) the original expiry date of such Award, and (ii) the date that is 90 days after the holder ceases to be an eligible Participant;
- (j) if the holder of an Award ceases to be an eligible Participant by reason of death, the holder's heirs or administrators shall have until the earlier of:
 - (i) one year from the death of the holder; and
 - (ii) the expiry date of the Award,in which to exercise any portion of Awards outstanding at the time of death of the holder;
- (k) upon a change of control, the Company may, without the consent of any holder of Awards, take such steps as it deems necessary or desirable, including to cause (i) the conversion of any outstanding Award into rights of a resulting entity, (ii) the vesting or termination of any outstanding Award, or (iii) any combination of the foregoing;
- (l) the Plan will be administered by Plan Administrator who will have the full authority and sole discretion to grant Awards under the Plan to any eligible Participant, including themselves;
- (m) all Awards are not assignable or transferable by a holder; and
- (n) the Company shall have the authority to deduct and withhold, or require the holder to remit to the Company, the amount of any taxes or other required source deductions which the Company is required by law or regulation of any governmental authority whatsoever to remit in connection with any granting, vesting or settlement of Awards.

The Board of Directors may from time to time, and subject to regulatory approval and the terms of the Plan, amend or revise the terms of the Plan.

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

"BE IT RESOLVED THAT:

1. the Company's omnibus equity incentive plan dated February 16, 2022 (the "**Plan**"), in substantially the form described in the management information circular of the Company

dated April 18, 2024 be and is hereby confirmed, ratified, and approved, and that in connection therewith a maximum of 10% of the issued and outstanding common shares at the time of each grant be approved for granting as options, deferred share units, restricted share units, performance share units and other share-based awards;

2. the Board of Directors of the Company be authorized in its absolute discretion to administer the Plan, and amend or modify the Plan in accordance with its terms and conditions and with the policies of the Canadian Securities Exchange (CSE); and
3. any one or more director(s) or officer(s) of the Company be authorized and directed to do all acts and things and to execute and deliver all documents required, as in the opinion of such director or officer may be necessary or appropriate in order to give effect to this resolution.”

A copy of the Plan is available at the records office of the Company, until the business day immediately preceding the date of the Meeting, and a copy will also be made available at the Meeting. A copy of the Plan is also annexed hereto as Schedule “A”.

The Board recommends that Shareholders vote in favour of the Plan Resolution.

V. Other Matters

Management of the Company knows of no other matter to come before the Meeting other than those referred to in the notice of Meeting. However, if any other matters which are not known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

STATEMENT OF EXECUTIVE COMPENSATION

The following information is presented in accordance with National Instrument 51-102 - *Continuous Disclosure Obligations* (“**NI 51-102**”) and Form 51-102F6V - *Statement of Executive Compensation - Venture Issuers*, and sets forth compensation for each NEO (as defined below) and each director of the Company during the financial years ended September 30, 2023 and 2022.

For the purposes of this section:

“**Board**” means the board of directors of the Company;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

“**CEO**” of the Company means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

“**CFO**” of the Company means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

“**Common Shares**” means the common shares in the capital of the Company;

“Exchange” means the Canadian Securities Exchange;

“named executive officer” or “NEO” means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CEO, including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CFO, including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

“RSU” means a right awarded by the Company to the holder to receive a payment in the form of Common Shares or cash equivalent to the value of the Common Shares;

“plan” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

“stock option” or “Option” means an option granted by the Company to the holder entitling such holder to acquire a designated number of Common Shares from the treasury under the applicable terms; and

“underlying securities” means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and Named Executive Officer Compensation

Director and Named Executive Officer Compensation, Excluding Compensation Securities

Set out below is a summary of compensation paid or accrued, excluding compensation securities, during the Company’s two most recently completed financial years to the Company’s directors and NEOs.

| Name and Position | Year ⁽¹⁾ | Salary, Consulting Fee, Retainer or Commission (\$) | Bonus (\$) | Committee or Meeting Fees (\$) | Value of Perquisites (\$) | Value of all Other Compensation (\$) | Total Compensation (\$) |
|--|---------------------|---|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| Elliot McKerr ⁽²⁾ <i>CEO; Director</i> | 2023 | 200,000 | Nil | Nil | Nil | 28,282 | 228,282 |
| | 2022 | 158,985 | Nil | Nil | Nil | 114,993 | 273,978 |
| Jason Broome ⁽³⁾ <i>COO;</i> | 2023 | 250,000 | Nil | Nil | Nil | 12,468 | 262,468 |
| | 2022 | 180,099 | Nil | Nil | Nil | 72,784 | 252,883 |

| | | | | | | | |
|---|------|--------|-----|-----|-----|---------|---------|
| <i>Director</i> | | | | | | | |
| Eli Dusenbury ⁽⁴⁾ | 2023 | 30,000 | Nil | Nil | Nil | 8,897 | 38,897 |
| <i>Director</i> | 2022 | 18,041 | Nil | Nil | Nil | 43,008 | 61,049 |
| Paul More ⁽⁵⁾ | 2023 | 90,000 | Nil | Nil | Nil | 8,020 | 98,020 |
| <i>CFO; Corporate Secretary</i> | 2022 | 60,000 | Nil | Nil | Nil | 51,280 | 111,280 |
| Dennis Staudt ⁽⁶⁾ | 2023 | Nil | Nil | Nil | Nil | 8,897 | 8,897 |
| <i>Former Director</i> | 2022 | 18,041 | Nil | Nil | Nil | 43,008 | 61,049 |
| Victor Neufeld ⁽⁷⁾ | 2023 | Nil | Nil | Nil | Nil | 44,489 | 44,486 |
| <i>Former Director</i> | 2022 | 30,068 | Nil | Nil | Nil | 215,038 | 245,106 |
| Rick Brar ⁽⁸⁾ | 2023 | Nil | Nil | Nil | Nil | Nil | Nil |
| <i>Former Director</i> | 2022 | Nil | Nil | Nil | Nil | Nil | Nil |
| S. John Kim ⁽⁹⁾ | 2023 | Nil | Nil | Nil | Nil | Nil | Nil |
| <i>Former Director and COO</i> | 2022 | Nil | Nil | Nil | Nil | Nil | Nil |
| Peter Jens Kohl ⁽¹⁰⁾ | 2023 | Nil | Nil | Nil | Nil | Nil | Nil |
| <i>Former Director and COO</i> | 2022 | Nil | Nil | Nil | Nil | 9,540 | 9,540 |
| David Melillo ⁽¹¹⁾ | 2023 | Nil | Nil | Nil | Nil | Nil | Nil |
| <i>Former Director</i> | 2022 | Nil | Nil | Nil | Nil | Nil | Nil |

Notes:

- (1) For the years ended September 30, 2023 and September 30, 2022.
- (2) Mr. McKerr was appointed as a director and as CEO on February 17, 2022.
- (3) Mr. Broome was appointed as a director and as COO on February 17, 2022.
- (4) Mr. Dusenbury was appointed as a director on October 22, 2021.
- (5) Mr. More was appointed as CFO and Corporate Secretary on February 17, 2022.
- (6) Mr. Staudt was appointed as a director on February 17, 2022. Mr. Staudt resigned as a director on April 5, 2023.
- (7) Mr. Neufeld was appointed as a director on February 17, 2022. Mr. Neufeld resigned as a director on April 5, 2023.
- (8) Mr. Brar was appointed as a director on May 13, 2021. Mr. Brar resigned as a director on October 22, 2021.

- (9) Mr. Kim was appointed as a director and as CEO on August 7, 2015. Mr. Kim resigned as director and as CEO on February 17, 2022.
- (10) Mr. Kohl was appointed as a director on August 7, 2015 and as COO on November 27, 2020. Mr. Kohl resigned as director and as COO on February 17, 2022.
- (11) Mr. Melillo resigned as a director on October 22, 2021.

External Management Companies

Other than as disclosed above, there were no external consulting agreements with the Company during the most recently completed financial year.

Director and NEO Stock Options and Other Compensation Securities

During the financial year ended September 30, 2023, the Company granted no incentive stock options (option-based awards) pursuant to the Plan to NEOs and directors of the Company who were not NEOs.

During the financial year ended September 30, 2023, no compensation securities were exercised by directors or NEOs.

Outstanding Compensation Securities

The following table sets forth the outstanding compensation securities held by the Directors and NEOs of the Company as of September 30, 2023:

| Total Compensation Securities held as at September 30, 2023 | | |
|--|--------------------------------------|---|
| Name and position | Type of compensation security | Total number of compensation securities, number of underlying securities |
| Elliot McKerr <i>CEO; Director</i> | Stock Options ⁽¹⁾ | 200,000 |
| Jason Broome <i>COO; Director</i> | Stock Options ⁽¹⁾ | 200,000 |
| Paul More <i>CFO; Corporate Secretary</i> | Stock Options ⁽¹⁾ | 200,000 ⁽²⁾ |
| Elliot McKerr <i>CEO; Director</i> | Restricted Share Units | 200,000 |
| Jason Broome <i>COO; Director</i> | Restricted Share Units | 200,000 |
| Eli Dusenbury <i>Director</i> | Restricted Share Units | 200,000 |
| Paul More <i>CFO; Corporate Secretary</i> | Restricted Share Units | 100,000 ⁽²⁾ |

Notes:

- (1) Aggregate number of stock options held. Exercise prices, grant dates and expiry dates may vary between stock options.
- (2) These securities are held by Blackstone Consulting Inc., a company of which Paul More owns 100% of the issued and outstanding shares.

Employment, Consulting, and Management Agreements:

Elliot McKerr and the Company are party to an executive employment agreement dated March 1, 2022 (the "**McKerr Agreement**"), pursuant to which the Company employs Mr. McKerr as its chief executive officer. The McKerr Agreement provides for, among other things, Mr. McKerr's entitlement to a salary of \$200,000 per annum and a discretionary bonus. The McKerr Agreement provides for non-solicitation, non-competition and confidentiality obligations. In the event the McKerr Agreement is terminated by the Company without cause or in the context of a change of control, Mr. McKerr will be entitled to a lump sum payment equal to two (2) years of salary.

Jason Broome and the Company are party to an executive employment agreement dated March 1, 2022 (the "**Broome Agreement**"), pursuant to which the Company employs Mr. Broome as its chief operating officer and Quality Assurance Person (QAP). The Broome Agreement provides for, among other things, Mr. Broome's entitlement to a salary of \$250,000 per annum and a discretionary bonus. The Broome Agreement provides for non-solicitation, non-competition and confidentiality obligations. In the event the Broome Agreement is terminated by the Company without cause or in the context of a change of control, Mr. Broome will be entitled to a lump sum payment equal to two (2) years of salary.

Oversight and Description of Director and NEO Compensation

The Company's Nominating, Governance and Compensation Committee (the "**NGC Committee**") is a standing committee appointed by the Board of Directors that assumes responsibility for reviewing, approving and recommending to the Board of Directors for approval the remuneration of the Company's senior executives and directors.

The NGC Committee assists the Board of Directors in ensuring the integrity of the corporate governance process, Board of Directors performance, disclosure policy, ombudsman activity, environmental impact, health and safety oversight, material information disclosure, identifying and recommending candidates to the Board of Directors, ensuring appropriate skill sets are maintained on the Board of Directors, assessing the effectiveness of the individual directors identifying the CEO of the Company, assisting the CEO in selecting the senior management of the Company and discharging the Board of Directors' oversight responsibilities relating to the compensation and retention of key senior management employees, and in particular the CEO and Chief Operating Officer ("**COO**").

The NGC Committee assists the Board of Directors in fulfilling its oversight responsibilities by, among other things:

1. setting policies for senior officers' remuneration;
2. reviewing and approving and then recommending to the Board of Directors salary, bonus, and other benefits, direct or indirect, and any change-of-control packages of the CEO and COO;
3. considering the recommendations of the CEO and COO and setting the terms and conditions of employment including, approving the salary, bonus, and other benefits, direct or indirect, and any change-of-control packages, of the key executives of the Company;
4. undertaking an annual review of the CEO and COO goals for the coming year and reviewing progress in achieving those goals;
5. reviewing compensation of the Board of Directors on at least an annual basis;
6. overseeing the administration of the Company's compensation plans, including the Plan, and such other compensation plans or structures as are adopted by the Company from time to time;
7. reviewing and approving executive compensation disclosure to be made in the information

circular prepared in connection with each Annual General Meeting of the Company or filed on a standalone basis on www.sedarplus.ca; and

8. undertaking on behalf of the Board of Directors such other compensation initiatives as may be necessary or desirable to contribute to the success of the Company and enhance shareholder value.

As of the date of this Circular, the Company does not have an NGC and the duties described above are satisfied by the Board of Directors.

Director Compensation and Protection

The NGC Committee recommends to the Board of Directors the terms upon which directors will be compensated. The NGC Committee recommends terms for the compensation of directors, the Chair of the Board of Directors and those acting as committee chairs that adequately reflect the responsibilities they are assuming. Subject to applicable law and the articles of the Company, the NGC Committee is responsible for administering all policies and practices of the Company with respect to the indemnification of directors by the Company and for approving all payments made pursuant to such policies and practices.

Compensation of Senior Officers

The NGC Committee annually:

1. reviews and if required revises the position description of the CEO and the COO and recommends annual performance goals and criteria for the CEO and the COO;
2. reviews the CEO's and COO's evaluation of the performance of the other senior officers of the Company appointed by the Board of Directors and such other employees of the Company or any subsidiary of the Company as may be identified to the NGC Committee by the Board of Directors (collectively, the "**Designated Employees**") and reviews the CEO's and COO's recommendations with respect to the amount of compensation to be provided to the Designated Employees;
3. reviews, assesses the competitiveness and appropriateness of and approves the compensation package of the CEO and the COO and each of the Designated Employees. In conducting such review, the NGC Committee considers:
 - (a) the compensation packages of the CEO and the COO and the Designated Employees for the prior year;
 - (b) the NGC Committee's evaluation of the performance of the CEO and the COO and the CEO's and COO's evaluation of the performance of the respective Designated Employees;
 - (c) the Company's performance and relative shareholder return;
 - (d) whether the compensation package reflects an appropriate balance between short and longer-term incentives to improve performance of the Company;
 - (e) the competitiveness of the compensation package, including the value of similar incentive awards paid to equivalent officers and positions at comparable companies; and
 - (f) the awards given to the CEO and COO and Designated Employees in previous years; and
4. the NGC Committee reviews and approves any employment contracts or arrangements with the CEO and COO and each of the Designated Employees, including any retiring allowance arrangements, severance payments or any similar arrangements to take effect in the event of a termination of employment and any change of control agreements.

Compensation Policies

The NGC Committee reviews and recommends to the Board of Directors compensation policies and processes and any new incentive compensation and equity compensation plans for the Company, including the superannuation arrangements or changes to such plans and in particular, the compensation policies, processes and plans respecting the CEO and COO and the Designated Employees. The NGC Committee also administers the Company's Plan.

Reporting Requirements

The NGC Committee annually reports on executive compensation in accordance with all applicable rules and regulation, including those set out under NI 51-102.

Philosophy and Objectives

The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified, and effective executives;
- (b) motivating the short and long-term performance of those executives; and
- (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its Plan.

Cash Salary

As a general rule, the Company seeks to offer its NEOs a reasonable compensation package that is in line with the Company's shareholder value, operating results, and liquidity considerations, consideration of compensation packages offered by other companies similar in size and complexity, and as a means of rewarding the NEOs for efforts expended on behalf of the Company.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's Plan. Stock options and RSUs are granted to senior executives taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses, and the Company's goals. Such awards are generally granted to senior executives and vest on terms determined by the NGC Committee.

Use of Financial Instruments

The Company has an Insider Trading and Blackout Policy (the "**Trading Policy**") that prohibits, among other things, hedging transactions. Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow a director or employee to lock in much of the value of his or her shareholdings, often in exchange for all or part of the potential for upside appreciation in the shares. These transactions allow directors and employees to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the director or employee may no longer have the same objectives as the Company's other shareholders. Therefore, the Company's directors and employees are prohibited by the Trading Policy from engaging in any such hedging transactions.

Perquisites and Other Personal Benefits

The Company's NEOs are not generally entitled to significant perquisites or other personal benefits that

are not offered to the Company's other employees.

Pension Plan Benefits

The Company does not have any pension plans that provide for payments or benefits to the NEOs at, following, or in connection with retirement, including any defined benefits plan or any defined contribution plan. The Company does not have a deferred compensation plan with respect to any NEO.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information in respect of the Company's equity compensation plans under which equity securities of the Company are authorized for issuance, aggregated in accordance with all equity plans previously approved by the Company's shareholders and all equity plans not approved by the Company's shareholders as at September 30, 2023.

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights (a) | Weighted-average exercise price of outstanding options, warrants and rights (b) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) |
|--|--|--|--|
| Equity compensation plans not approved by security holders | 2,690,000 | \$0.26 | 3,541,983 ⁽¹⁾ |

Note:

- (1) Based on the figure that is 10% of the issued and outstanding Common Shares that were available for issuance under the Plan as at September 30, 2023. As at such date there were 62,319,837 Common Shares issued and outstanding.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is not as of the date hereof, and has not been since the beginning of the Company's financial year ended September 30, 2021, any indebtedness owing to the Company by the directors and senior officers of the Company or any of their associates or affiliates. There is not as of the date hereof, and has not been since the beginning of the Company's financial year ended September 30, 2021, any indebtedness owed to another entity, which is subject to a guarantee, support agreement, letter of credit, other similar arrangements or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Circular, no "informed person" (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Company or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction in which the Company has participated since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Company.

CORPORATE GOVERNANCE DISCLOSURE

Canadian securities regulatory policy as reflected in National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires that venture issuers like the Company must disclose on an annual basis their approach to corporate governance. National Policy 58-201 - *Corporate Governance Guidelines* (“**NP 58-201**”) provides regulatory staff guidance on preferred governance practices, although the guidelines are not prescriptive, other than for audit committees. The Company’s approach to corporate governance in the context of NI 58-101 and NP 58-201 (together the “**Policies**”) as well as its compliance with the mandatory rules relating to audit committees is set out below.

Board of Directors

The Board of Directors has determined that one of its three directors proposed for election at the Meeting, Eli Dusenbery, is independent. An "independent" director is a director who is independent of management and free from any interest any business or other relationship that could, or could reasonably be perceived to materially interfere with the director’s ability to act in the best interests of the Company, other than interests arising from being a director or shareholder. Messrs. McKerr and Broome are not considered to be independent directors because they are officers of the Company.

The Board of Directors does not currently have an independent chair or a lead director. The Board of Directors believes that Messrs. McKerr, Broome and Dusenbury as a group are experienced, familiar with the expectations of independent directors, and capable of exercising independent judgment.

Directorships

The following director currently hold directorships in other reporting issuers:

| Name of Director | Name of Reporting Issuer | Name of Exchange |
|------------------|-----------------------------|----------------------------|
| Eli Dusenbury | AlphaGen Intelligence Corp. | CSE |
| | Vortex Energy Corp. | CSE |
| | KR Investment Ltd. | TSX Venture Exchange (NEX) |

Orientation and Continuing Education

While the Company does not have formal orientation and training programs, each new director receives an orientation, minutes of meetings, written mandates, guidelines and other relevant corporate documents needed to understand the Company’s business and processes. The commitment needed from directors, particularly the commitment of time and energy, is emphasized to directors prior to their appointment nomination.

Directors are encouraged to communicate with management, auditors and consultants; to keep themselves current with industry trends and developments and changes in legislation with management’s assistance; and to keep themselves up to date with best director and corporate governance practices. The Company provides continuing education for its directors as the need arises. Directors have full access to the Company’s records.

Ethical Business Conduct

The Board of Directors views good corporate governance and ethical business conduct as an integral component to the success of the Company and to meet responsibilities to shareholders. While the Board of Directors 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 of Directors in which the director has an interest may be sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company, the Company has in place several codes, policies and governance documents that assist in this regard. In particular:

- (i) The Company has a Code of Conduct & Ethics, which reflects the Company's commitment to a culture of honesty, integrity and accountability and outlines the basic principles and policies with which all directors, officers and employees are expected to comply.
- (ii) The Company also has an Anti-Corruption Policy, which is designed to ensure that the Company and its subsidiaries do not seek or receive any improper advantage in the course of their business dealings and to ensure that all payments and expenses are properly recorded in their books and records.
- (iii) The Company also has a Whistleblower Policy, which aims to provide an avenue for employees to raise concerns and reassurance that they will be protected from reprisals or victimization for whistleblowing in good faith.
- (iv) The Company also has a Corporate Disclosure Policy, which is designed to ensure that all communications originating from the Company provide its employees and current and potential shareholders with important and meaningful information on a timely basis and at the same time. The policy sets out the Company's policies and practices on corporate disclosure and maintaining confidentiality of Corporation information.

Copies of the Code of Conduct & Ethics, the Anti-Corruption Policy, the Whistleblower Policy and the Corporate Disclosure Policy can be viewed on the Company's website, www.hytn.ca.

Nomination of Directors

The NGC Committee considers the Board of Directors' size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board of Directors' duties effectively and to maintain a diversity of views and experience.

Compensation

To determine compensation payable, the NGC Committee reviews compensation paid for directors and officers of companies of similar size and stage of development and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting compensation, the NGC Committee annually review the performance of the Company's directors and officers in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives. See *"Statement of Executive Compensation – Director and Named Executive Officer Compensation – Oversight and Description of Director and NEO Compensation"* for further information.

Other Board Committees

As the directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger board of directors, the Board of Directors has determined that additional committees (other than the NGC Committee and the Audit Committee) are not necessary at this stage of the Company's development.

Assessments

The Board of Directors monitors the adequacy of information given to directors, communication between the Board of Directors and management and the strategic direction and processes of the Board of Directors and the audit committee. The Board of Directors does not perform a formalized assessment of directors, the board and committees.

AUDIT COMMITTEE

The Board of Directors is responsible for reviewing and approving the unaudited interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. The Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim financial statements together with other financial information of the Company for issuance to the shareholders.

The Audit Committee has the general responsibility to review and make recommendations to the Board of Directors on the approval of the Company's annual and interim financial statements, the Management Discussion and Analysis and the other financial information or disclosure of the Company. More particularly, it has the mandate to:

- (i) oversee all the aspects pertaining to the process of reporting and divulging financial information, the internal controls and the insurance coverage of the Company;
- (ii) oversee the implementation of the Company's rules and policies pertaining to financial information and internal controls and management of financial risks and to ensure that the certifications process of annual and interim financial statements is conformed with the applicable regulations; and
- (iii) evaluate and supervise the risk control program and review all related party transactions.

The Audit Committee ensures that the external auditors are independent from management. The Audit Committee reviews the work of outside auditors, evaluates their performance, evaluates their remuneration and makes recommendations to the Board of Directors. The Audit Committee also authorizes non-related audit work. A copy of the Charter of the Audit Committee is appended hereto as Schedule "B".

Composition of the Audit Committee

The Audit Committee is currently comprised of the following members of the Board:

| Name | Position | Independent ⁽¹⁾ | Financial Literacy ⁽²⁾ |
|------------------------------|----------|----------------------------|-----------------------------------|
| Elliot McKerr | Director | No | Yes |
| Jason Broome | Director | No | Yes |
| Eli Dusenbury ⁽³⁾ | Director | Yes | Yes |

Notes:

- (1) 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 of Directors, reasonably interfere with the exercise of the member’s independent judgment.
- (2) An individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level 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.
- (3) Chair of the Audit Committee.

Relevant Education and Experience

Each member of the Company’s Audit Committee has adequate education and experience that is relevant to his performance as an Audit Committee member and in particular, the requisite education and experience that have provided the member with:

- (a) 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;
- (b) experience preparing, auditing, 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
- (c) an understanding of internal controls and procedures for financial reporting.

See “Particulars of Matters to be Acted Upon – Election of Directors” for further details of each audit committee member’s relevant education and experience.

Audit Committee Oversight

At no time since the commencement of the financial year ended September 30, 2021 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance of Certain Exemptions

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on the exemption in Section 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

Aggregate fees paid to the Auditor during the financial years ended September 30, 2023, 2022 and 2021 were as follows:

| | Financial Year Ended September 30, 2023 | Financial Year Ended September 30, 2022 | Financial Year Ended September 30, 2021 |
|-----------------------------------|--|--|--|
| Audit Fees ⁽¹⁾ | \$126,563 | \$38,969 | \$42,057 |
| Audit-Related Fees ⁽²⁾ | Nil | Nil | Nil |
| Tax Fees ⁽³⁾ | \$15,188 | \$2,500 | \$2,000 |
| All Other Fees ⁽⁴⁾ | Nil | \$14,677 | Nil |
| Total: | \$141,751 | \$56,146 | \$44,057 |

Notes:

- (1) "Audit fees" include fees rendered by the Company's external auditor for professional services necessary to perform the annual audit and any quarterly reviews of the Company's financial statements. This includes fees for the review of tax provisions and for accounting consultations on matters reflected in the financial statements.
- (2) "Audit-related fees" include 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 that are not included in the "Audit Fees" category.
- (3) "Tax fees" include fees for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning.
- (4) "All other fees" include fees for products and services provided by the Company's external auditor, other than services reported under the table headings "Audit Fees", "Audit-Related Fees" or "Tax Fees".

ADDITIONAL INFORMATION

Additional information about the Company is available under the Company's profile on SEDAR+ at www.sedarplus.ca. Financial information is provided in the Company's audited financial statements, the report of the auditor, and management's discussion and analysis for the years ended September 30, 2023, 2022 and 2021.

APPROVAL OF DIRECTORS

The contents and the sending of this Circular to the shareholders of the Company have been approved by the Board of Directors of the Company.

ON BEHALF OF THE BOARD OF DIRECTORS,

"Elliot McKerr"

Elliot McKerr
CEO and Director

SCHEDULE "A"
OMNIBUS EQUITY COMPENSATION PLAN

[See attached]

HYTN INNOVATIONS INC.
OMNIBUS EQUITY INCENTIVE PLAN
FEBRUARY 16, 2022

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| Article 1 PURPOSE..... | 1 |
| 1.1 Purpose..... | 1 |
| Article 2 INTERPRETATION | 1 |
| 2.1 Definitions..... | 1 |
| 2.2 Interpretation..... | 8 |
| Article 3 ADMINISTRATION..... | 9 |
| 3.1 Administration | 9 |
| 3.2 Delegation to Committee | 10 |
| 3.3 Determinations Binding | 10 |
| 3.4 Eligibility | 10 |
| 3.5 Plan Administrator Requirements..... | 11 |
| 3.6 Total Shares Subject to Awards | 11 |
| 3.7 Additional Limits | 11 |
| 3.8 Limits on Grants of Awards..... | 12 |
| 3.9 Award Agreements | 12 |
| 3.10 Non-transferability of Awards | 13 |
| 3.11 Securities Laws and Exchange Policies | 13 |
| Article 4 OPTIONS..... | 13 |
| 4.1 Granting of Options | 13 |
| 4.2 Exercise Price..... | 13 |
| 4.3 Term of Options | 13 |
| 4.4 Vesting and Exercisability | 14 |
| 4.5 Payment of Exercise Price | 14 |
| Article 5 DEFERRED SHARE UNITS | 15 |

| | | |
|--|--|----|
| 5.1 | Granting of DSUs | 15 |
| 5.2 | DSU Account | 17 |
| 5.3 | Vesting of DSUs | 17 |
| 5.4 | Settlement of DSUs..... | 17 |
| Article 6 RESTRICTED SHARE UNITS | | 18 |
| 6.1 | Granting of RSUs..... | 18 |
| 6.2 | RSU Account | 18 |
| 6.3 | Vesting of RSUs | 18 |
| 6.4 | Settlement of RSUs..... | 18 |
| Article 7 PERFORMANCE SHARE UNITS | | 19 |
| 7.1 | Granting of PSUs | 19 |
| 7.2 | Terms of PSUs | 19 |
| 7.3 | Performance Goals..... | 19 |
| 7.4 | PSU Account..... | 19 |
| 7.5 | Vesting of PSUs..... | 20 |
| 7.6 | Settlement of PSUs | 20 |
| Article 8 OTHER SHARE-BASED AWARDS | | 20 |
| Article 9 ADDITIONAL AWARD TERMS | | 21 |
| 9.1 | Dividend Equivalents..... | 21 |
| 9.2 | Blackout Period..... | 21 |
| 9.3 | Withholding Taxes..... | 21 |
| 9.4 | Recoupment | 22 |
| Article 10 TERMINATION OF EMPLOYMENT OR SERVICES | | 22 |
| 10.1 | Termination of Employment, Services or Director..... | 22 |
| 10.2 | Discretion to Permit Acceleration..... | 24 |
| Article 11 EVENTS AFFECTING THE CORPORATION | | 24 |

| | | |
|---|---|----|
| 11.1 | General | 24 |
| 11.2 | Change in Control | 24 |
| 11.3 | Reorganization of Corporation’s Capital | 25 |
| 11.4 | Other Events Affecting the Corporation | 26 |
| 11.5 | Immediate Acceleration of Awards | 26 |
| 11.6 | Issue by Corporation of Additional Shares | 26 |
| 11.7 | Fractions..... | 26 |
| Article 12 U.S. TAXPAYERS..... | | 27 |
| 12.1 | Provisions for U.S. Taxpayers | 27 |
| 12.2 | ISOs..... | 27 |
| 12.3 | ISO Grants to 10% Shareholders | 27 |
| 12.4 | \$100,000 Per Year Limitation for ISOs | 27 |
| 12.5 | Disqualifying Dispositions..... | 27 |
| 12.6 | Section 409A of the Code | 28 |
| 12.7 | Section 83(b) Election..... | 28 |
| Article 13 AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN | | 29 |
| 13.1 | Amendment, Suspension, or Termination of the Plan | 29 |
| 13.2 | Shareholder Approval | 29 |
| 13.3 | Permitted Amendments..... | 30 |
| Article 14 MISCELLANEOUS | | 31 |
| 14.1 | Legal Requirement..... | 31 |
| 14.2 | No Other Benefit..... | 31 |
| 14.3 | Rights of Participant | 31 |
| 14.4 | Corporate Action..... | 31 |
| 14.5 | Conflict | 31 |
| 14.6 | Anti-Hedging Policy | 31 |

| | | |
|-------|---|----|
| 14.7 | Participant Information | 31 |
| 14.8 | Participation in the Plan | 32 |
| 14.9 | International Participants | 32 |
| 14.10 | Successors and Assigns..... | 32 |
| 14.11 | General Restrictions on Assignment..... | 32 |
| 14.12 | Severability | 32 |
| 14.13 | Notices | 33 |
| 14.14 | Effective Date | 33 |
| 14.15 | Governing Law | 33 |
| 14.16 | Submission to Jurisdiction | 33 |

HYTN Innovations Inc.
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, Employees and Consultants, to reward such of those Directors, 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, 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:

“**Affiliate**” means any entity that is an “affiliate” for the purposes of National Instrument 45-106 – *Prospectus Exemptions*, as amended from time to time;

“**Award**” means any Option, Deferred Share Unit, Restricted Share Unit, Performance Share Unit or Other Share-Based Award granted under this Plan, which may be denominated or settled in Shares, cash or in such other forms as provided for herein;

“**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, and evidencing the terms and conditions on which an Award has been granted under this Plan (including written or other applicable employment agreements) and which need not be identical to any other such agreements;

“**Black-Out Period**” means a period of time when pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons designated by the Corporation;

“**Board**” means the board of directors of the Corporation as it may be constituted from time to time;

“**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;

“**Canadian Taxpayer**” means a Participant that is resident in Canada for purposes of the Tax Act;

“**Cash Fees**” has the meaning set forth in Subsection 5.1(a);

“**Cause**” means, with respect to a particular Employee:

- (a) “cause” as such term is defined in the employment or other written agreement between the Corporation or a subsidiary of the Corporation and the Employee;
- (b) in the event there is no written or other applicable employment agreement between the Corporation or a subsidiary of the Corporation or “cause” is not defined in such agreement, “cause” as such term is defined in the Award Agreement; or
- (c) in the event neither clause (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 an employer can terminate an individual’s employment without notice or pay in lieu thereof;

“**Change in Control**” means the occurrence of any one or more of the following events:

- (a) any transaction at any time and by whatever means pursuant to which any Person or any group of two or more Persons acting jointly or in concert (other than the Corporation or a wholly-owned subsidiary of the Corporation) 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;
- (b) the sale, assignment or other transfer of all or substantially all of the consolidated assets of the Corporation to a Person other than a wholly-owned subsidiary of the Corporation;
- (c) the dissolution or liquidation of the Corporation, other than in connection with the distribution of assets of the Corporation to one or more Persons which were wholly-owned subsidiaries of the Corporation prior to such event;
- (d) 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 wholly-owned subsidiary of the Corporation);
- (e) any other event which the Board determines to constitute a change in control of the Corporation; or
- (f) individuals who comprise the Board as of the last annual meeting of shareholders of the Corporation (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;

provided that, notwithstanding clauses (a), (b), (c) and (d) above, a Change in Control shall be deemed not to have occurred pursuant to clauses (a), (b), (c) or (d) above if immediately following the transaction set forth in clause (a), (b), (c) or (d) 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 (b) 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 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;

"**Code**" means the United States Internal Revenue Code of 1986, as amended from time to time;

"**Commencement Date**" has the meaning set forth in Section 10.1(e);

"**Committee**" has the meaning set forth in Section 3.2;

“Consultant” means an individual consultant or an employee or director of a consultant entity, other than a Participant that is an Employee, who:

- (a) is engaged to provide services on a *bona fide* basis to the Corporation or a subsidiary of the Corporation, other than services provided in relation to a distribution of securities of the Corporation or a subsidiary of the Corporation;
- (b) provides the services under a written contract with the Corporation or a subsidiary of the Corporation; and
- (c) spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or a subsidiary of the Corporation;

“Control” means:

- (a) 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;
- (b) 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
- (c) 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, and

the 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;

“Corporation” means HYTN Innovations Inc.;

“CSE” means the Canadian Securities Exchange;

“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;

“Deferred Share Unit” or **“DSU”** means any right granted under Article 5 of this Plan;

“Director” means a director of the Corporation who is not an Employee;

“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;

“Disabled” or **“Disability”** means, in respect of a Participant, suffering from a state of mental or physical disability, illness or disease that prevents the Participant from carrying

out his or her normal duties as an Employee for a continuous period of six months or for any period of six months in any consecutive twelve month period, as certified by two medical doctors or as otherwise determined in accordance with procedures established by the Plan Administrator for purposes of this Plan;

“**Effective Date**” means the effective date of this Plan, as determined pursuant to Section 14.14;

“**Elected Amount**” has the meaning set forth in Subsection 5.1(a);

“**Electing Person**” means a Participant who is, on the applicable Election Date, a Director;

“**Election Date**” means the date on which the Electing Person files an Election Notice in accordance with Subsection 5.1(b);

“**Election Notice**” has the meaning set forth in Subsection 5.1(b);

“**Employee**” means an individual who:

- (a) 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
- (b) 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,

and, for greater certainty, includes any Executive Chairman of the Corporation.

“**Exchange**” means the CSE and any other exchange on which the Shares are or may be listed from time to time;

“**Exchange Policy**” means the policies, bylaws, rules and regulations of the Exchange governing definitions, interpretation and the granting of options by the Corporation, as amended from time to time;

“**Exercise Notice**” means a notice in writing, signed by a Participant and stating the Participant’s intention to exercise a particular Option;

“**Exercise Price**” means the price at which an Option Share may be purchased pursuant to the exercise of an Option;

“**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;

“**Insider**” has the meaning attributed thereto in the *Securities Act* (British Columbia);

“Investor Relations Activities” has the meaning attributed thereto in the *Securities Act* (British Columbia);

“Market Price” at any date in respect of the Shares shall be the volume weighted average trading price of the Shares on the CSE, for the five trading days immediately preceding the Date of Grant (or, if such Shares are not then listed and posted for trading on the CSE, on such stock exchange on which the Shares are listed and posted for trading as may be selected for such purpose by the Board); provided that, for so long as the Shares are listed and posted for trading on the CSE, the Market Price shall not be less than the market price, as calculated under the policies of the CSE; and provided, further, that with respect to an Award made to a U.S. Taxpayer, such Participant and the number of Shares subject to such Award shall be identified by the Board or the Committee prior to the start of the applicable five trading day period. In the event that such Shares are not listed and posted for trading on any Exchange, the Market Price shall be the fair market value of such Shares as determined by the Board in its sole discretion and, with respect to an Award made to a U.S. Taxpayer, in accordance with Section 409A of the Code;

“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;

“Option Shares” means Shares issuable by the Corporation upon the exercise of outstanding Options;

“Other Share-Based Award” means any right granted under Article 8;

“Participant” means an Employee, Consultant or Director to whom an Award has been granted under this Plan;

“Participant’s Employer” means with respect to a Participant that is or was an Employee, the Corporation or such subsidiary of the Corporation as is or, if the Participant has ceased to be employed by the Corporation or such subsidiary of the Corporation, was the Participant’s Employer;

“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;

“Performance Share Unit” or **“PSU”** means any right granted under Article 7 of this Plan;

“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;

“**Plan**” means this Omnibus Equity Incentive Plan, as may be amended from time to time;

“**Plan Administrator**” means the Board or, to the extent that the administration of this Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

“**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 6;

“**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 67 or such other retirement age, with consent of the Plan Administrator, if applicable;

“**Section 409A of the Code**” means Section 409A of the Code and all regulations, guidance, compliance programs, and other interpretive authority issued thereunder;

“**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;

“**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;

“**Share**” means one 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 11, such other shares or securities to which the holder of an Award may be entitled as a result of such adjustment;

“**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, provided that, in the case of a Canadian Taxpayer, the issuer is related (for purposes of the Tax Act) to the Corporation;

“**Tax Act**” has the meaning set forth in Section 4.5(d);

“**Termination Date**” means:

- (a) 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 in a written employment agreement, or other written agreement between the Employee and Corporation or

a subsidiary of the Corporation, or (ii) if no written employment agreement exists, the date designated by the Corporation or a subsidiary of the Corporation, as the case may be, on which an 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 “Termination Date” specifically does not mean the date of termination of 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;

- (b) in the case of a Consultant whose consulting agreement or arrangement with the Corporation or a subsidiary of the Corporation, as the case may be, terminates, the date that is designated by the Corporation or the subsidiary of the Corporation (as the case may be), as the date on which the Participant’s consulting 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, and “Termination Date” specifically does not mean the date on which any period of notice of termination that the Corporation or the subsidiary of the Corporation (as the case may be) may be required to provide to the Participant under the terms of the consulting agreement or arrangement expires; or
- (c) 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.

“U.S.” means the United States of America; and

“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 of Awards under the Plan may be made;
- (b) make grants of Awards under the Plan, whether relating to the issuance of Shares or otherwise (including any combination of Options, Deferred Share Units, Restricted Share Units, Performance Share Units or Other Share-Based Awards), 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 Compensation Committee of the Board.
- (b) To the extent permitted by applicable law, the Board may, from time to time, delegate to a committee of the Board, which need not be the Compensation Committee (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.

3.3 Determinations Binding

Except 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, 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 and all subsidiaries of the Corporation, the affected Participant(s), their respective legal and personal representatives and all other Persons.

3.4 Eligibility

All Employees, Consultants and Directors are eligible to participate in the Plan, subject to Section 10.1(f). Participation in the Plan is voluntary and eligibility to participate does not confer upon any Employee, Consultant or Director any right to receive any grant of an Award pursuant

to the Plan. The extent to which any Employee, Consultant or Director is entitled to receive a grant of an Award pursuant to the Plan will be determined in the 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 Corporation 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 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. 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 11 and any subsequent amendment to this Plan, the aggregate number of Shares reserved for issuance pursuant to Awards granted under this Plan, including any options granted under previous stock option plans outstanding as of the date of this Plan, shall not exceed **10%** 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 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 are exercised, terminate or are cancelled for any reason prior to exercise in full, 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 Additional Limits

In addition to the requirements in Section 3.6 and notwithstanding any other provision of this Plan:

- (a) the total number of Shares which may be reserved for issuance pursuant to Options to any one Participant under the Plan shall not exceed 5% of the issued

and outstanding Shares on the grant date or within any 12 month period (in each case on a non-diluted basis);

- (b) the total number of Shares which may be reserved for issuance pursuant to RSUs, DSUs or PSUs to any one Participant under the Plan together with any other share based compensation arrangement, excluding the Options, shall not exceed 5% of the issued and outstanding Shares on the grant date or within any 12 month period (in each case on a non-diluted basis);
- (c) the aggregate number of Options to any one Participant that is a consultant of the Corporation in any 12 month period must not exceed 2% of the issued Shares calculated at the first such grant date;
- (d) the aggregate number of Options to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued Shares in any 12 month period calculated at the first such grant date (and including any Participant that performs Investor Relations Activities and/or whose role or duties primarily consist of Investor Relations Activities). For clarity and notwithstanding anything to the contrary contained herein, no RSUs, DSUs or PSUs may be granted under this Plan to Persons retained to provide Investor Relations Activities; and
- (e) Options granted to any Person retained to provide Investor Relations Activities must vest in a period of not less than 12 months from the date of grant of the Award and with no more than 25% of the Options vesting in any three month period notwithstanding any other provision of this Plan.

3.8 Limits on Grants of Awards

Notwithstanding anything in this Plan:

- (a) the aggregate number of Shares:
 - (i) issuable to Insiders at any time under all of the Corporation's Security Based Compensation Arrangements, shall not exceed 10% of the Corporation's total issued and outstanding Shares; and
 - (ii) issued to Insiders within any one year period, under all of the Corporation's Security Based Compensation Arrangements, shall not exceed 10% of the Corporation's total issued and outstanding Shares,

provided that the acquisition of Shares by the Corporation for cancellation shall not constitute non-compliance with this Section 3.8 for any Awards outstanding prior to such purchase of Shares for cancellation.

3.9 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, any Award Agreement to a Participant granted an Award pursuant to this Plan.

3.10 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 or under this Plan 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.

3.11 Securities Laws and Exchange Policies

This Plan and the granting and exercise of any Awards hereunder are subject to such other terms and conditions as are set out from time to time in the Securities Laws and the Exchange Policy. Such rules and policies shall be deemed to be incorporated into and become a part of this Plan. In the event of an inconsistency between the provisions of such rules and policies and of this Plan, the provisions of such Securities Laws and Exchange Policy shall govern.

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 greater of the closing price of the Shares on (a) the trading day prior to the Date of Grant of the Option, and (b) the Date of Grant of the Option. In any event, no Option shall be granted, which is exercisable at an Exercise Price of less than permitted by Exchange Policy.

4.3 Term of Options

- (a) Subject to any accelerated termination as set forth in this Plan, each Option expires on its Expiry Date, but in no event shall an Option expire on a date which is later from 10 years from the date the Option is granted.
- (b) Should the expiration date fall within a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Black-Out Period, such 10th Business Day to be considered the expiration date for such Option for all purposes under the Plan.

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 instalment 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 or instalment 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 instalment of any Option becomes exercisable. For greater certainty, no Option shall be exercised by a Participant during a Black-Out Period.
- (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, 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 the 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, a Participant shall receive upon the exercise of an Option in accordance with the terms of this Plan (instead of payment of the Exercise Price and receipt of Shares issuable upon payment of the Exercise Price) the number of Shares 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, divided by
- (iii) the Market Price per Share as of the date such Option (or portion thereof) is exercised.

Any cashless exercise pursuant to this Section 4.5(b), is subject to the Corporation's approval, which may be withheld for any reason or no reason.

- (c) No Shares will be issued or transferred until full payment therefor has been received by the Corporation.
- (d) If a Participant exercises Options through the cashless exercise process set out in 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 exercise 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 exercise, the Corporation will cause such election to be so made and filed (and such other procedures to be so undertaken).

ARTICLE 5 DEFERRED SHARE UNITS

5.1 Granting of DSUs

- (a) The Plan Administrator 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 5.1(b) to participate in the grant of additional DSUs pursuant to this Article 5. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this Article 5 shall receive their Elected Amount (as that term is defined below) in the form of DSUs in lieu of cash. 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 are otherwise intended to be paid in cash (the "**Cash Fees**").
- (b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs in lieu of cash 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 31st in the year prior to the year to which such election is to apply (other than for Director Fees payable for the 2020 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 of the Plan 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 an existing Electing Person who is a U.S. Taxpayer as of the Effective Date of this Plan, an initial Election Notice may be filed by the date that is 30 days from the Effective Date only with respect to compensation paid for services to be performed after the Election Date; and, in the case of a newly appointed Electing Person who is a U.S. Taxpayer, an Election Notice may be filed within 30 days of such appointment only with respect to compensation paid for services to be performed after the Election Date. 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 5.1(d), the election of an Electing Person under Subsection 5.1(b) shall be deemed to apply to all Cash Fees that would be paid subsequent to the filing of the Election Notice, and such 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 in lieu of Cash Fees by filing with the Chief Financial Officer of the Corporation a notice in the form of Schedule B hereto. 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 5.1(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 5, 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 in lieu of cash 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 in lieu of cash for any calendar year 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 5 prior to the delivery of a termination notice pursuant to Section 5.1(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 5 will be calculated by dividing (i) the amount of any compensation that is to be paid in DSUs (including Director Fees and any Elected Amount), as determined by the Plan Administrator, 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.

5.2 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.

5.3 Vesting of DSUs

Except as otherwise determined by the Plan Administrator, DSUs shall vest immediately upon grant.

5.4 Settlement of DSUs

- (a) DSUs shall be settled on the date established in the Award Agreement; provided, however that in no event shall a DSU Award be settled prior to, or later than one (1) year following, the date of the applicable Participant's separation from service. In the case of a Participant (other than a Canadian Participant), in no event shall a DSU Award be settled later than three (3) years following the date of the applicable Participant's separation from service. If the Award Agreement does not establish a date for the settlement of the DSUs, then the settlement date shall be the date of separation from service, subject to the delay that may be required under Section 12.6(d) below in the case of a U.S. Participant. Subject to Section 12.6(d) below in the case of a U.S. Participant, and except as otherwise provided in an Award Agreement, 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) a cash payment, or
 - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,

in each case as determined by the Plan Administrator in its discretion.

- (b) Any cash payments made under this Section 5.4 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 in the pay period that the settlement date falls within.

ARTICLE 6 RESTRICTED SHARE UNITS

6.1 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 services rendered in the year of grant. The terms and conditions of each RSU grant shall be evidenced by an Award Agreement.
- (b) The number of RSUs (including fractional RSUs) granted at any particular time pursuant to this Article 6 will be calculated by dividing (i) the amount of any compensation that is to be paid in RSUs, as determined by the Plan Administrator, by (ii) the Market Price of a Share on the Date of Grant.

6.2 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.

6.3 Vesting of RSUs

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

6.4 Settlement of RSUs

- (a) The Plan Administrator shall have the sole authority to determine the settlement terms applicable to the grant of RSUs. Subject to Section 12.6(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:
 - (i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct, or
 - (ii) a cash payment, or
 - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,in each case as determined by the Plan Administrator in its discretion.
- (b) Any cash payments made under this Section 6.4 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.
- (d) Subject to Section 12.6(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 6.4 any later than the final Business Day of the third calendar year following the year in which the RSU is granted.

ARTICLE 7 PERFORMANCE SHARE UNITS

7.1 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 services rendered in the year of grant. The terms and conditions of each PSU grant shall be evidenced by an Award Agreement. Each PSU will consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 7.6(a)), upon the achievement of such Performance Goals during such performance periods as the Plan Administrator shall establish.

7.2 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 termination of a Participant's employment 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.

7.3 Performance Goals

The Plan Administrator will issue Performance Goals prior to 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 relative to performance relative to an index or comparator group, or on any other basis determined by the Plan Administrator. 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.

7.4 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.

7.5 Vesting of PSUs

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

7.6 Settlement of PSUs

- (a) The Plan Administrator shall have the authority to determine the settlement terms applicable to the grant of PSUs. Subject to Section 12.6(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:
 - (i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct, or
 - (ii) a cash payment, or
 - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,

in each case as determined by the Plan Administrator in its discretion.

- (b) Any cash payments made under this Section 7.6 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 RSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.
- (d) Subject to Section 12.6(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 7.6 any later than the final Business Day of the third calendar year following the year in which the PSU is granted.

ARTICLE 8 OTHER SHARE-BASED AWARDS

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 Other Share-Based Awards to any Participant. The terms and conditions of each Other Share-Based Award grant shall be evidenced by an Award Agreement. Each Other Share-Based Award shall consist of a right (1) which is other than an Award or right described in Article 4, Article 5, Article 6, and Article 7 above, and (2) which is denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Shares (including, without limitation, securities convertible into Shares) as are deemed by the Plan Administrator to be consistent with the purposes of the Plan; provided, however, that such right will comply with applicable law. Subject to the terms of the Plan and any applicable Award Agreement, the Plan Administrator

will determine the terms and conditions of Other Share-Based Awards. Shares or other securities delivered pursuant to a purchase right granted under this Article 8 will be purchased for such consideration, which may be paid by such method or methods and in such form or forms, including, without limitation, cash, Shares, other securities, other Awards, other property, or any combination thereof, as the Plan Administrator shall determine in its discretion.

ARTICLE 9 ADDITIONAL AWARD TERMS

9.1 Dividend Equivalents

- (a) Unless otherwise determined by the Plan Administrator and set forth in the particular Award Agreement, as part of a Participant's grant of DSUs, PSUs or RSUs (as applicable) and in respect of the services provided by the Participant for such original grant, DSUs, PSUs and RSUs (as applicable) shall be credited with dividend equivalents in the form of additional DSUs, PSUs or RSUs, as applicable, 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: (i) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of DSUs, PSUs or RSUs, as applicable, held by the Participant on the record date for the payment of such dividend, by (ii) 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 DSUs, PSUs or RSUs, as applicable, to which they relate, and shall be settled in accordance with Section 5.4 or 6.4, as applicable.
- (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.

9.2 Blackout Period

In the event that the Date of Grant occurs, or an Award expires, at a time when an undisclosed material change or material fact in the affairs of the Corporation exists, the Date of Grant for such Award, or expiry of such Award, as the case may be, will be no later than 10 business days after which there is no longer such undisclosed material change or material fact, and the Market Price with respect to the grant of such Award shall be calculated based on the five business days immediately preceding the Date of Grant.

9.3 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 an Affiliate 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 an Affiliate of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation 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 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.

9.4 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 and in effect at the Date of Grant of the Award, 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. The Plan Administrator may at any time waive the application of this Section 9.4 to any Participant or category of Participants.

ARTICLE 10 TERMINATION OF EMPLOYMENT OR SERVICES

10.1 Termination of Employment, Services or Director

Subject to Section 10.2, 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 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 a portion of any unvested Options or other Awards shall immediately vest, such portion to be equal to the number of unvested Options or other Awards held by the Participant as of the Termination Date multiplied by a fraction the numerator of which is the number of days between the Date of Grant and the Termination Date and the denominator of which is the number of days between the Date of Grant and the date any unvested Options or other Awards were originally scheduled to vest, which vested Options or other Awards may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award;

and (B) the date that is 90 days after the Termination Date. Any Option or other Award that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;

- (c) where a Participant becomes Disabled, then any Option or other Award held by the Participant that has not vested as of the date of the Disability of such Participant shall vest on such date and may be exercised or surrendered to the Corporation by the Participant at any time until the Expiry Date of such Award. Any Option or other Award that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;
- (d) where a Participant's employment, consulting agreement or arrangement is terminated by reason of the death of the Participant, then any Option or other Award held by the Participant that has not vested as of the date of the death of such Participant shall vest on such date and may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the first anniversary of the date of the death of such Participant. Any Option or other Award that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;
- (e) where a Participant's employment, consulting agreement or arrangement is terminated due to Retirement, then any Option or other Award held by the Participant that has not vested as of the date of such Retirement shall continue to vest in accordance with its terms and may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the first anniversary of the Participant's date of Retirement. Any Option or other Award that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period. 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 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; and
- (g) notwithstanding Subsection 10.1(b), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, 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, Employee or Consultant, as applicable, of the Corporation or a subsidiary of the Corporation.

10.2 Discretion to Permit Acceleration

Notwithstanding the provisions of Section 10.1, 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 11 EVENTS AFFECTING THE CORPORATION

11.1 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 11 would have an adverse effect on this Plan or on any Award granted hereunder.

11.2 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:

- (a) 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 Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such 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 net of any exercise price payable by the Participant (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 net of any exercise price payable by the Participant, 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; or (v) any combination of the foregoing. In taking any of the actions permitted under this Subsection 11.2(a), 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 Subsection 11.2(a)) 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.

- (b) Notwithstanding Subsection 11.2(a), 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 granted under this Plan (other than Options held by Canadian Taxpayers) 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, or in the case of Options held by a Canadian Taxpayer by permitting the Canadian Taxpayer to surrender such Options to the Corporation for an amount for each such Option equal to the fair market value of such Option as determined by the Plan Administrator, acting reasonably, upon the completion of the Change in Control (following which such Options may be cancelled for no consideration).
- (c) It is intended that any actions taken under this Section 11.2 will comply with the requirements of Section 409A of the Code with respect to Awards granted to U.S. Taxpayers.

11.3 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, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

11.4 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 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 required), authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

11.5 Immediate Acceleration of Awards

In taking any of the steps provided in Sections 11.3 and 11.4, the Plan Administrator will not be required to treat all Awards similarly and where the Plan Administrator determines that the steps provided in Sections 11.3 and 11.4 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.

11.6 Issue by Corporation of Additional Shares

Except as expressly provided in this Article 11, 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 or other entitlements of the Participants under such Awards.

11.7 Fractions

No fractional Shares will be issued pursuant to an Award. Accordingly, (whether as a result of any adjustment under this Article 11, a dividend equivalent or otherwise), 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 12 U.S. TAXPAYERS

12.1 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. 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.

12.2 ISOs

Subject to any limitations in Section 3.6, the aggregate number of Shares reserved for issuance in respect of granted ISOs shall not exceed 100,000 Shares, and 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 be granted to any employee of the Corporation, or of a “parent corporation” or “subsidiary corporation”, as such terms are defined in Sections 424(e) and (f) of the Code.

12.3 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.

12.4 \$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) exceeds \$100,000, such excess ISOs shall be treated as non-qualified stock options.

12.5 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.

12.6 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. 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.

12.7 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.

ARTICLE 13
AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

13.1 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 be subject to the additional tax penalty under Section 409A(1)(b)(i)(II) 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.

13.2 Shareholder Approval

Notwithstanding Section 13.1 and subject to any rules of the Exchange, approval of the holders of the 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 in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (b) increases or removes the 10% limits on Shares issuable or issued to Insiders as set forth in Subsection 3.8(a);
- (c) reduces the exercise price of an Award (for this purpose, a cancellation or termination of an Award of a Participant prior to its Expiry Date for the purpose of reissuing an Award to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an 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;
- (d) extends the term of an Award beyond the original Expiry Date (except where an Expiry Date would have fallen within a blackout period applicable to the Participant or within five business days following the expiry of such a blackout period);

- (e) permits an 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);
- (f) increases or removes the limits on the participation of Directors;
- (g) permits Awards to be transferred to a Person other than for normal estate settlement purposes;
- (h) changes the eligible participants of the Plan; or
- (i) deletes or reduces the range of amendments which require approval of shareholders under this Section 13.2.

13.3 Permitted Amendments

Without limiting the generality of Section 13.1, but subject to Section 13.2, 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 10;
- (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 14 MISCELLANEOUS

14.1 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 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.

14.2 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.

14.3 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 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.

14.4 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.

14.5 Conflict

In the event of any conflict between the provisions of this Plan and an Award Agreement, the provisions of the Plan 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 Plan shall prevail.

14.6 Anti-Hedging Policy

By accepting the Option or 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 Options or Awards.

14.7 Participant Information

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan (including as to whether

the circumstances described in Section 10.1(e) or 12.3 exist). 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.

14.8 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.

14.9 International Participants

With respect to Participants who reside or work outside Canada, the Plan Administrator may, in its 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.

14.10 Successors and Assigns

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

14.11 General Restrictions on 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.

14.12 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.

14.13 Notices

All written notices to be given by a Participant to the Corporation shall be delivered personally, or by mail, postage prepaid, addressed as follows:

HYTN Innovations Inc.
12 E 4th Ave
Vancouver, BC V5T 1E8

Attention: Chief Financial Officer

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; provided that in the event of any actual or imminent postal disruption, notices shall be delivered to the appropriate party and not sent by mail. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

14.14 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.

14.15 Governing Law

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

14.16 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

**HYTN INNOVATIONS INC.
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 5 of the Plan and to receive ____% of my Cash Fees in the form of DSUs in lieu of cash.

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: _____

(Name of Participant)

(Signature of Participant)

SCHEDULE B

**HYTN INNOVATIONS INC.
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 5 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: _____

(Name of Participant)

(Signature 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

**HYTN INNOVATIONS INC.
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: _____

(Name of Participant)

(Signature of Participant)

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

SCHEDULE "B"
AUDIT COMMITTEE CHARTER

Purpose of the Committee

The purpose of the Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of HYTN Innovations Inc. (the "**Corporation**") is to provide an open avenue of communication between management, the Corporation's independent auditors and the Board and to assist the Board in its oversight of:

- (a) the integrity, adequacy and timeliness of the Corporation's financial reporting and disclosure practices;
- (b) the Corporation's compliance with legal and regulatory requirements related to financial reporting; and
- (c) the independence and performance of the Corporation's independent auditors.

The Committee shall also perform any other activities consistent with this Charter, the Corporation's Articles and governing laws as the Committee or Board deems necessary or appropriate.

The Committee shall consist of at least three directors. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Committee shall elect a Chair from among their number. A majority of the members of the Committee must not be officers or employees of the Corporation or of an affiliate of the Corporation. The quorum for a meeting of the Committee is a majority of the members who are not officers or employees of the Corporation or of an affiliate of the Corporation. With the exception of the foregoing quorum requirement, the Committee may determine its own procedures.

The Committee's role is one of oversight. Management is responsible for preparing the Corporation's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with international financial reporting standards ("**IFRS**"). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditors' responsibility is to audit the Corporation's financial statements and provide their opinion, based on their audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Corporation in accordance with IFRS.

The Committee is responsible for recommending to the Board the independent auditors to be nominated for the purpose of auditing the Corporation's financial statements, preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, and for reviewing and recommending the compensation of the independent auditors. The Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditors. The independent auditors shall report directly to the Committee.

Authority and Responsibilities.

In addition to the foregoing, in performing its oversight responsibilities the Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Corporation's Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditors the adequacy and effectiveness of the Corporation's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditors the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Corporation's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Corporation, including consideration of the independent auditors' judgment about the quality and appropriateness of the Corporation's accounting policies. This review may include discussions with the independent auditors without the presence of management.
8. Review with management and the independent auditors significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Corporation by the independent auditors.
10. Monitor the independence of the independent auditors by reviewing all relationships between the independent auditors and the Corporation and all non-audit work performed for the Corporation by the independent auditors.
11. Establish and review the Corporation's procedures for the:
 - (a) receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and

- (b) confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Corporation.

Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of National Instrument 52-110 of the Canadian Securities Administrators, the *Business Corporations Act* (British Columbia) and the Articles of the Corporation.