



**PUDO INC.**

**Notice of Meeting**

**and**

**Management Information Circular**

**in respect of the**

**Annual Meeting of Shareholders**

**to be held on September 6, 2023**

**July 28, 2023**

**PUDO INC.**

6600 Goreway Drive, Unit D, Mississauga, Ontario L4V 1S6

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**to be held on September 6, 2023**

**TO THE SHAREHOLDERS OF PUDO INC.**

NOTICE IS HEREBY GIVEN that an annual meeting (the "**Meeting**") of shareholders ("**Shareholders**") of common shares ("**Common Shares**") of PUDO Inc. (the "**Corporation**") will be held at PUDO Inc., located at 6600 Goreway Drive Unit D, Mississauga, Ontario, Canada, L4V 1S6, at 10:00 a.m. (Toronto time) on September 6, 2023, for the following purposes:

1. to receive and consider the audited financial statements of the Corporation for the financial year ended February 28, 2023, together with the auditor's report thereon;
2. to re-appoint Clearhouse, LLP as auditor of the Corporation for the ensuing year and authorize the directors to fix their remuneration;
3. to elect the directors for the ensuing year; and
4. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

The specific details of the matters to be put before the Meeting as identified above are set forth in the management information circular of the Corporation accompanying and forming part of this notice. Shareholders should refer to the information circular for more detailed information with respect to the matters to be considered at the Meeting.

**If you are a registered Shareholder** of the Corporation and are unable to attend the Meeting in person, please date and execute the accompanying form of proxy and return it in the envelope provided to TSX Trust Company, the registrar and transfer agent of the Corporation, at 301 – 100 Adelaide St W, Toronto, Ontario M5H 4H1 by no later than 10:00 a.m. (Toronto time) on September 1, 2023, or in the case of any adjournment of the Meeting, not less than 48 hours prior to the time of such meeting.

**If you are not a registered Shareholder** of the Corporation and receive these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or by the other intermediary.

The directors of the Corporation have fixed the close of business on July 28, 2023, as the record date for the determination of the shareholders of the Corporation entitled to receive notice of the Meeting.

Dated this 28<sup>th</sup> day of July, 2023.

**BY ORDER OF THE BOARD OF DIRECTORS**

*/s/ "Richard Cooper"*

Richard Cooper  
Chairman

**PUDO INC.**

6600 Goreway Drive, Unit D, Mississauga, Ontario L4V 1S6

**MANAGEMENT INFORMATION CIRCULAR  
FOR THE ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD ON SEPTEMBER 6, 2023**

**SOLICITATION OF PROXIES**

**This management information circular (the "Information Circular") is furnished in connection with the solicitation of proxies by the management ("Management") of PUDO Inc. ("PUDO" or the "Corporation") for use at the annual meeting (the "Meeting") of the shareholders ("Shareholders") of common shares ("Common Shares") of the Corporation.**

The Meeting will be held at PUDO Inc., located at 6600 Goreway Drive Unit D, Mississauga, Ontario L4V 1S6, at 10:00 a.m. (Toronto time) on September 6, 2023, and at any adjournments thereof for the purposes set forth in the Notice of Annual Meeting of Shareholders accompanying this Information Circular. Information contained herein is given as of July 28, 2023, unless otherwise specifically stated.

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or personal interview by regular employees of the Corporation, or by other proxy solicitation services retained by the Corporation. The costs thereof will be borne by the Corporation. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries to forward solicitation materials to the beneficial owners of common shares of the Corporation held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so.

**VOTING IN PERSON AT THE MEETING**

To vote in person at the Meeting each registered Shareholder will be required to register for the Meeting by identifying themselves at the registration desk. To ensure your vote is counted, if you are a registered Shareholder you should complete and return the enclosed form of proxy as soon as possible even if you intend to attend the Meeting in person. Non-registered beneficial Shareholders must appoint themselves as a proxyholder to vote in person at the Meeting. See "*Advice to Beneficial Holders of Common Shares*" below.

**APPOINTMENT AND REVOCATION OF PROXIES**

If a registered Shareholder cannot attend the Meeting but wishes to vote on the resolutions, the registered Shareholder should sign, date and deliver the enclosed form of proxy to the Corporation's registrar and transfer agent, TSX Trust Company, 301 – 100 Adelaide St W, Toronto, Ontario M5H 4H1 so it is received by 10:00 a.m. (Toronto time) on September 1, 2023, or in the case of any adjournment of the Meeting, not less than 48 hours prior to the time of such meeting, or by delivering it to the Chairman of the Meeting, on the day of the meeting or any adjournment thereof prior to the time of the voting. **The persons named in the enclosed form of proxy are directors and/or officers of the Corporation. A Shareholder giving a proxy can strike out the names of the nominees printed in the accompanying form of proxy and insert the name of another nominee in the space provided, or the shareholder may complete another form of proxy. A proxy nominee need not be a Shareholder of the Corporation.** A shareholder giving a proxy has the right to attend the Meeting, or appoint someone else to attend as his or her proxy at the Meeting and the proxy submitted earlier can be revoked in the manner described below.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is signed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, it must be executed by a duly authorized officer or attorney thereof.

A Shareholder forwarding the enclosed form of proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The shares represented by the proxy submitted by a Shareholder will be voted in accordance with the directions, if any, given in the proxy.

A Shareholder who has given a proxy may revoke it at any time in so far as it has not been exercised. A proxy may be revoked, as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy, by instrument in writing executed by the Shareholder or by his attorney authorized in writing or, if the Shareholder is a body corporate, by a duly authorized officer, attorney or representative thereof and deposited with the registrar and transfer agent of the Corporation, TSX Trust Company at 301 – 100 Adelaide St W, Toronto, Ontario M5H 4H1 by no later than 10:00 a.m. (Toronto time) on September 1, 2023, at the registered office of the Corporation at any time prior to 10:00 a.m. (Toronto time) on the last business day preceding the day of the Meeting or any adjournment(s) thereof or with the Chairman of the Meeting on the day of the Meeting or any adjournment(s) thereof, and upon any of such deposits the proxy is revoked. A proxy may also be revoked in any other manner permitted by law. The Corporation's registered office is located at 6600 Goreway Drive, Unit D, Mississauga, Ontario L4V 1S6.

### ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES

In many cases, Common Shares beneficially owned by a holder (a "**Non-Registered Holder**") are registered either:

- (a) in the name of an intermediary that the Non-Registered Holder deals with in respect of the Common Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or,
- (b) in the name of a depository (such as The Canadian Depository for Securities Limited or "**CDS**"). Non-Registered Holders do not appear on the list of shareholders of the Corporation maintained by the transfer agent.

In accordance with Canadian securities law, the Corporation has distributed copies of the notice of meeting, this Information Circular and the form of proxy (collectively, the "**meeting materials**") to CDS and intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward meeting materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Typically, intermediaries will use a service company to forward the meeting materials to Non-Registered Holders. Non-Registered Holders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

A. *If you receive a Voting Instruction Form.* In most cases, a Non-Registered Holder will receive, as part of the meeting materials, a voting instruction form. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the voting instruction form must be completed, signed and returned in accordance with the directions on the form. If a Non-Registered Holder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Holder's behalf), the Non-Registered Holder must complete, sign and return the voting instruction form in accordance with the directions provided and a form of proxy giving the right to attend and vote will be forwarded to the Non-Registered Holder.

Or,

B. *If you receive a Form of Proxy.* Less frequently, a Non-Registered Holder will receive, as part of the meeting materials, a form of proxy that has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the Non-Registered Holder must complete the form of

proxy and deposit it with the Corporation's registrar and transfer agent, TSX Trust Company, 301 – 100 Adelaide St W, Toronto, Ontario M5H 4H1, as described above. If a Non-Registered Holder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the Non-Registered Holder must strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided.

### **Non-Objecting Beneficial Owners**

In addition, Canadian securities legislation now permits the Corporation to forward Meeting materials directly to non-objecting beneficial owners ("NOBOs"). These meeting materials are being sent to both registered and non-registered owners of the securities. If you are a NOBO and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions.

**Objecting beneficial owners ("OBOs") are non-registered Shareholders who have advised their intermediary that they object to their intermediary disclosing such ownership information to the Corporation. The Corporation does not intend to pay for intermediaries to deliver the proxy-related materials to OBOs. If the Corporation does not pay for an intermediary to deliver materials to OBOs, OBOs will not receive the materials unless their intermediary assumes the cost of delivery.**

All references to Shareholders in this Information Circular and the accompanying instrument of proxy and Notice are to Shareholders of record unless specifically stated otherwise.

### **VOTING OF PROXIES**

All Common Shares represented at the Meeting by properly executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the accompanying form of proxy, the Common Shares represented by the proxy will be voted in accordance with such instructions. **In the absence of any such instruction, the persons whose names appear on the printed form of proxy will vote in favour of all the matters set out thereon. The enclosed form of proxy confers discretionary authority upon the persons named therein. If any other business or amendments or variations to matters identified in the Notice of Meeting properly comes before the Meeting then discretionary authority is conferred upon the person appointed in the proxy to vote in the manner they see fit, in accordance with their best judgment.** At the time of the printing of this Information Circular, management of the Corporation knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release. Please monitor the Corporation press releases as well as the Corporation website at [www.pudoinc.com](http://www.pudoinc.com) for updated information. If applicable and as appropriate, the Corporation will provide required information on the logistical details of a virtual or hybrid Meeting including how a shareholder can remotely access, participate in and vote at a Meeting. An amended management information circular will not be mailed out in the event of changes to the Meeting format.

### **SUPPLEMENTAL MAILING LIST**

Under National Instrument 51-102 - *Continuous Disclosure Obligations*, a person or corporation who in the future wishes to receive financial statements and the related management's discussion and analysis from the Corporation must deliver a written request for such material to the Corporation, together with a signed statement that the person or corporation is the owner of securities (other than debt instruments) of the Corporation. Shareholders who wish to receive financial statements and the related management's discussion and analysis are encouraged to send the enclosed mail card, together with the completed form of proxy to TSX Trust Company, at 301 – 100 Adelaide St W, Toronto, Ontario M5H 4H1. Copies of the Corporation's annual and interim financial statements are also available on SEDAR at [www.sedar.com](http://www.sedar.com).

## APPROVAL OF MATTERS

Unless otherwise noted, approval of matters to be placed before the Meeting is by an "**ordinary resolution**", which is a resolution passed by a simple majority (50% plus 1) of the votes cast by Shareholders of the Corporation present and entitled to vote in person or by proxy.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of convertible, redeemable, voting, non-participating shares (the "**Preference Shares**") of which, on the date of this Information Circular, 27,271,007 Common Shares and no Preference Shares were issued and outstanding.

### *Common Shares*

The holders of Common Shares are entitled to receive notice of and to attend any meeting of the Shareholders (except meetings at which only the holders of another class of shares are entitled to vote) and are entitled to one vote for each Common Share held. Subject to the prior rights of the holders of the Preference Shares or any other shares ranking senior to the Common Shares, the holders of the Common Shares are entitled to: (a) receive any dividends as and when declared by the board of directors of the Corporation (the "**Board**") out of the assets of the Corporation properly applicable to the payment of dividends, in such amount and in such form as the Board may from time to time determine; and (b) receive the remaining property of the Corporation in the event of any liquidation, dissolution of winding-up of the Corporation.

Each Shareholder is entitled to one vote for each Common Share shown as registered in his or her name on the list of Shareholders. The list of Shareholders will be prepared as of July 28, 2023, the record date fixed for determining Shareholders entitled to the notice of the Meeting.

Other than as set out below, to the knowledge of the directors and executive officers of the Corporation, as of the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying ten percent (10%) or more of the voting rights attached to any class of voting securities of the Corporation.

| Shareholder       | Number of Securities Held | % of Issued and Outstanding Voting Securities Held |
|-------------------|---------------------------|--|
| Palm Holding Inc. | 7,599,999 Common Shares   | 27.87%   |

## INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED ON

Except as disclosed herein, management is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer or any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of directors and the amendment of the Option Plan (as defined herein).

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the number of Common Shares to be issued upon exercise of outstanding incentive stock options ("**Options**") issued pursuant to compensation plans under which equity securities of the Corporation are authorized for issuance, the weighted average exercise price of such outstanding Options and the number of Common Shares remaining available for future issuance under such compensation plans as at February 28, 2023.

| Plan Category  | Number of securities to be issued upon exercise of outstanding Options <sup>(1)</sup> | Weighted-average exercise price of outstanding Options | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column) <sup>(1)</sup> |
|--|---|--|--|
| Equity compensation plans approved by security holders <sup>(1)(2)</sup> | 2,275,545   | \$0.92   | 3,153,855  |

**Note:**

- (1) The Corporation has no equity compensation plan other than the Option Plan (as defined herein). For more information about the material features of the Option Plan, see "*Statement of Executive Compensation – Option-Based Awards*".
- (2) Pursuant to the Option Plan, the Corporation can issue up to an aggregate of 5,429,400 Options, which was approved by the Shareholders of the Corporation at the Corporation's annual and special meeting held on August 31, 2022.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No executive officer, director, or employee of the Corporation, past or present, nor any proposed nominee for election as a director of the Corporation, nor any associate of any of the foregoing persons, at any time during the fiscal year ended February 28, 2023, and as at the date of this Information Circular, is or was indebted to the Corporation in connection with the purchase of securities or otherwise, nor is any such individual indebted to another entity with such debt being the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

## MANAGEMENT CONTRACTS

Management functions of the Corporation and its subsidiaries are not to any substantial degree performed by persons other than the directors or executive officers of the Corporation.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, Management is not aware of any transaction since the beginning of the Corporation's last completed financial year or any proposed transaction that has materially affected or will materially affect the Corporation in which any director or senior officer of the Corporation, any proposed Management nominee for election as a director, any person beneficially owning or exercising control or direction over more than 10% of the Common Shares or any associate or affiliate of any of the foregoing has or had a material interest, direct or indirect.

## MATTERS TO BE ACTED UPON AT THE MEETING

### 1. FINANCIAL STATEMENTS AND AUDITORS' REPORTS

At the Meeting, Shareholders will receive the financial statements of the Corporation for the financial year ended February 28, 2023, and the auditor's report thereon, but no vote by the Shareholders with respect thereto is required or proposed to be taken.

### 2. APPOINTMENT OF AUDITORS

Clearhouse, LLP, Chartered Professional Accountants (“**Clearhouse**”) are the independent registered certified auditors of the Corporation. Management intends to nominate Clearhouse for re-appointment as auditors of the Corporation.

At the Meeting, Shareholders will be asked to consider and, if thought advisable, pass an ordinary resolution to re-appoint Clearhouse as the Corporation's auditor to hold office until the close of the next annual meeting of Shareholders of the Corporation, and to authorize the directors of the Corporation to fix the auditor's remuneration.

Unless a choice is otherwise specified, it is intended that the Common Shares represented by the proxies hereby solicited will be voted in favour of the appointment of Clearhouse as auditors of the Corporation until the close of the next annual meeting of Shareholders or until a successor auditor is appointed, and for the authorization of the directors to fix their remuneration.

### 3. ELECTION OF DIRECTORS

Directors will be elected at the Meeting. The Corporation's Board presently consists of five (5) members. Shareholders will be asked to elect the five (5) directors to the Board set out in the table below. If elected, each director will be elected to hold office effective until the next annual meeting of the Corporation, or until his/her successor is duly elected or appointed in accordance with the *Business Corporations Act* (Ontario) ("OBCA") and the By-Laws of the Corporation, unless his/her office is vacated earlier.

It is the intention of the persons named in the enclosed form of proxy, if named proxy, to vote "FOR" the election of the following persons to the Board of the Corporation unless otherwise directed. Shareholders can vote for all of the proposed directors set forth herein, vote for some of them and withhold for others, or withhold for all of them. Management does not contemplate that any of the nominees will be unable to serve as a director. However, if for any reason any of the proposed nominees does not stand for election or is unable to serve as such, the persons named in the enclosed form of proxy reserve the right to vote for any other nominee in their sole discretion unless the Shareholder has specified in the proxy that the Common Shares represented thereby are to be withheld from voting on the election of that particular director.

The following is a brief description of the proposed nominees, including their principal occupation for the past five (5) years, all positions and offices with the Corporation held by them and the number of Common Shares that they have advised are beneficially owned, directly or indirectly, by them or over which control or direction is exercised by them, as at the Record Date.

| Name and Municipality of Residence                                       | Director Since | Principal Occupation over Last Five Years  | Common Shares Beneficially Owned Directly or Indirectly <sup>(1)</sup> |
|--|----------------|--|--|
| <b>Howard Westerman</b> <sup>(4)</sup><br>Richardson, Texas, USA         | July 14, 2015  | Mr. Westerman currently serves on the boards of numerous charities, including Benedictine College.   | 1,215,923 Common Shares  |
| <b>Thomas Bijou</b> <sup>(2)(3)(4)</sup><br>Addison, Texas, USA          | July 14, 2015  | Mr. Bijou was the co-founder of Tigon, President of the operating subsidiary of Aegis Communications Group, Chairman and lead financier of Knowledge Communications, lead financier of Freestone System and Chief Executive Officer of Applied Nanotech Holdings. Owner of BHM Avionics. | 495,978 Common Shares  |
| <b>Richard Cooper</b> <sup>(2)(3)(4)</sup><br>Kleinburg, Ontario, Canada | July 14, 2015  | Mr. Cooper is the Chair of the Board. Mr. Cooper currently serves as Chairman of the Board of Cardinal Couriers, and as a director of Global Sensor Systems and Isogrid Composites.  | 880,563 Common Shares  |
| <b>Murray Cook</b> <sup>(2)(3)</sup><br>Brampton, Ontario, Canada        | July 7, 2016   | Mr. Cook was the founding CEO of one of the largest development firms in the Middle East. Mr. Cook has extensive experience at the CEO level for major Canadian development and construction firms.  | 21,034 Common Shares   |
| <b>Tracy K. Bramlett</b><br>Dallas, Texas, USA                           | July 19, 2021  | Mr. Bramlett is president of Industrial Hygiene and Safety Technology, Inc.  | 80,000 Common Shares   |

**Notes:**

<sup>(1)</sup> The information as to Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, not being within the knowledge of the Corporation, has been furnished by the respective persons set forth above.



- (2) Member of the Audit Committee. Richard Cooper is Chair.
- (3) Member of the Compensation Committee. Richard Cooper is Chair.
- (4) Member of the Governance Committee. Howard Westerman is Chair.

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

No director or proposed director of the Corporation is, or has been within the past ten years, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the Corporation access to any exemptions under securities legislation, and that was in effect for a period of more than 30 consecutive days, while such person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the Corporation access to any exemptions under securities legislation, and that was in effect for a period of more than 30 consecutive days, that was issued after that individual ceased to be a director or chief executive officer or chief financial officer and which resulted from an event that occurred while such person was acting in a capacity as a director, chief executive officer or chief financial officer.

No director or proposed director of the Corporation is, or has been within the ten years prior to the date of this Information Circular, a director or executive officer of any company (including the Corporation) that, while such person was acting in that capacity or within a year of that individual 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.

### **Individual Bankruptcies**

No director or proposed director of the Corporation is or has, within the ten years prior to the date of this Information 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 that individual.

### **Penalties**

No director or proposed director of the Corporation has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

## **STATEMENT OF EXECUTIVE COMPENSATION**

The Corporation's Statement of Executive Compensation, in accordance with the requirements of Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*, is set forth below, which contains information about the compensation paid to, or earned by, the Corporation's Chief Executive Officer, Chief Financial Officer and the next most highly compensated executive officer of the Corporation earning more than CDN\$150,000.00 in total compensation (the "**Named Executive Officers**" or "**NEOs**"). During the financial year ended February 28, 2023, the Corporation had three Named Executive Officers: Elliott K Etheredge, Chief Executive Office (effective January 4, 2023), Francesco Coccia, Founder-President and Chief Operating Office of the Corporation effective January 4, 2023

(prior to that was Chief Executive Officer of the Corporation), and Douglas P. Baker, Chief Financial Officer of the Corporation.

### ***Director and Named Executive Officer Compensation, Excluding Compensation Securities***

The following table provides information for the two most recently completed financial years ended February 28, 2023 and February 28, 2022, as applicable, regarding compensation earned by each of the Named Executive Officers and directors of the Corporation. Unless otherwise noted, amounts below are paid in Canadian dollars.

*Table of Compensation Excluding Compensation Securities*

| <b>Name and position</b>  | <b>Year</b> | <b>Salary, Consulting Fees, Retainer or Commission</b> | <b>Bonus</b> | <b>Committee or Meeting Fees</b> | <b>Value of Perquisites</b> | <b>Value of All Other Compensation</b> | <b>Total Compensation</b> |
|---|-------------|--|--------------|----------------------------------|-----------------------------|--|---------------------------|
| Elliott K Etheredge <sup>(1)</sup> ,<br><i>Chief Executive Officer</i>  | 2023        | US\$5,815  | Nil          | Nil                              | Nil                         | Nil                                    | US\$5,815                 |
|   | 2022        | Nil  | Nil          | Nil                              | Nil                         | Nil                                    | Nil                       |
| Francesco Coccia <sup>(2)</sup> ,<br><i>Founder-President &amp; COO</i><br><i>FY2023</i><br><i>Chief Executive Officer FY2022</i> | 2023        | \$180,000  | \$12,000     | Nil                              | \$8,999                     | Nil                                    | \$200,999                 |
|   | 2022        | \$169,000  | Nil          | Nil                              | \$9,519                     | Nil                                    | \$178,519                 |
| Douglas P. Baker<br><i>Chief Financial Officer</i>  | 2023        | US\$30,000   | Nil          | Nil                              | Nil                         | Nil                                    | US\$30,000                |
|   | 2022        | US\$30,000   | Nil          | Nil                              | Nil                         | Nil                                    | US\$30,000                |
| Thomas F. Bijou<br><i>Director</i>  | 2023        | Nil  | Nil          | Nil                              | Nil                         | Nil                                    | Nil                       |
|   | 2022        | Nil  | Nil          | Nil                              | Nil                         | Nil                                    | Nil                       |
| Richard Cooper<br><i>Chair of the Board</i>   | 2023        | Nil  | Nil          | Nil                              | Nil                         | Nil                                    | Nil                       |
|   | 2022        | Nil  | Nil          | Nil                              | Nil                         | Nil                                    | Nil                       |
| Howard Westerman<br><i>Director</i>   | 2023        | Nil  | Nil          | Nil                              | Nil                         | Nil                                    | Nil                       |
|   | 2022        | Nil  | Nil          | Nil                              | Nil                         | Nil                                    | Nil                       |
| Murray Cook<br><i>Director</i>  | 2023        | Nil  | Nil          | Nil                              | Nil                         | Nil                                    | Nil                       |
|   | 2022        | Nil  | Nil          | Nil                              | Nil                         | Nil                                    | Nil                       |
| Tracey K. Bramlett<br><i>Director</i>   | 2023        | Nil  | Nil          | Nil                              | Nil                         | Nil                                    | Nil                       |
|   | 2022        | Nil  | Nil          | Nil                              | Nil                         | Nil                                    | Nil                       |

Notes:

- (1) Appointed Chief Executive Officer effective January 4, 2023.
- (2) Resigned Chief Executive Office effected January 4, 2023, and appointed Founder-President & Chief Operating Office effective January 4, 2023.

### ***Stock Options and Other Compensation Securities***

The following provides information for the most recent financial year ended February 28, 2023, regarding compensation securities events, if any, by each of the Named Executive Officers and directors of the Corporation.

*Exercise of Compensation Securities by Directors and NEOs*

| <b>Name and position</b>                               | <b>Type of compensation security</b> | <b>Number of underlying securities exercised</b> | <b>Exercise price per security (\$)</b> | <b>Date of exercise</b> | <b>Closing price per security on date of exercise (\$)</b> | <b>Difference between exercise price and closing price on date of exercise (\$)</b> | <b>Total value on exercise date (\$)</b> |
|--|--------------------------------------|--|---|-------------------------|--|---|--|
| Douglas P. Baker<br><i>Chief Financial Officer</i>     | Options                              | 21,111   | \$1.30                                  | 25Oct2022               | \$0.80   | (\$0.50)  | \$16,888.80                              |
| Francesco Coccia<br><i>Founder-President &amp; COO</i> | Common Shares                        | 32,359   | \$0.80                                  | 17Dec2022               | \$0.80   | \$0.80  | \$25,887.20                              |
| Francesco Coccia<br><i>Founder-President &amp; COO</i> | Common Shares                        | 32,638   | \$0.80                                  | 11Feb2023               | \$0.80   | \$0.80  | \$26,110.40                              |
|  |                                      |  |   |                         |  |   |  |

The following table provides information regarding all compensation securities granted or issued to each Named Executive Officer and director by the Corporation for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries during the year ended February 28, 2023.

### Compensation Securities

| Name and position                           | Type of compensation security <sup>(1)</sup> | Number of compensation securities, number of underlying securities, and percentage of class |        | Date of issue or grant | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end <sup>(2)</sup> (\$) | Expiry date |
|---|--|---|--------|------------------------|--|--|--|-------------|
| Thomas F. Bijou<br><i>Director</i>          | Options <sup>(1)</sup>                       | 45,000  | 1.98%  | 01Mar2022              | \$0.81                                   | \$0.81/  | \$1.00   | 01Mar2027   |
| Richard Cooper<br><i>Chair of the Board</i> | Options <sup>(1)</sup>                       | 45,000  | 1.98%  | 01Mar2022              | \$0.81                                   | \$0.81/  | \$1.00   | 01Mar2027   |
| Howard Westerman<br><i>Director</i>         | Options <sup>(1)</sup>                       | 45,000  | 1.98%  | 01Mar2022              | \$0.81                                   | \$0.81/  | \$1.00   | 01Mar2027   |
| Murray Cook<br><i>Director</i>              | Options <sup>(1)</sup>                       | 45,000  | 1.98%  | 01Mar2022              | \$0.81                                   | \$0.81/  | \$1.00   | 01Mar2027   |
| Tracey K. Bramlett<br><i>Director</i>       | Options <sup>(1)</sup>                       | 45,000  | 1.98%  | 01Mar2022              | \$0.81                                   | \$0.81/  | \$1.00   | 01Mar2027   |
| Elliott K Etheredge                         | Options <sup>(2)</sup>                       | 1,357,350   | 59.65% | 13Feb2023              | \$0.80                                   | \$0.80   | \$1.00   | 13Feb2027   |

Notes:

- (1) Options issued March 01, 2022. Each option entitles the holder to acquire one Common Share upon exercise. The options are exercisable at a price of \$0.81 per common share and will expire on March 1, 2027. The options vest in 25% increments yearly with the first 25% having vested on March 1, 2022.
- (2) Options issued February 13, 2023. Each option entitles the holder to acquire one Common Share upon exercise. The options are exercisable at a price of \$0.80 per common share and will expire on February 13, 2027. The options vest in 6% increments monthly with the first 6% having vested on April 4, 2023.

### Outstanding Stock Options

The total number of Stock Options held by NEOs and directors as at February 28, 2023 was as follows:

| Name and position                                     | Number of Stock Options | Exercise Price   | Expiry Date(s)                  |
|---|-------------------------|------------------|---------------------------------|
| Elliott K Etheredge<br><i>Chief Executive Officer</i> | 1,357,350               | \$1.30           | February 13, 2027               |
| Richard Cooper<br><i>Director</i>                     | 45,000<br>45,000        | \$1.14<br>\$0.81 | July 17, 2025<br>March 01, 2027 |
| Murray Cook<br><i>Director</i>                        | 45,000<br>45,000        | \$1.14<br>\$0.81 | July 17, 2025<br>March 01, 2027 |
| Thomas Bijou<br><i>Director</i>                       | 45,000<br>45,000        | \$1.14<br>\$0.81 | July 17, 2025<br>March 01, 2027 |
| Howard Westerman<br><i>Director</i>                   | 45,000<br>45,000        | \$1.14<br>\$0.81 | July 17, 2025<br>March 01, 2027 |
| Tracy K. Bramlett<br><i>Director</i>                  | 45,000<br>45,000        | \$1.14<br>\$0.81 | July 17, 2025<br>March 01, 2027 |

### Stock Option Plan

The purpose of granting is to assist the Corporation in compensating, attracting, retaining and motivating its directors, officers, employees and consultants and to closely align the personal interests of such persons to that of the Shareholders. In determining the number of to be granted to officers of the Corporation, the Board will take into account the number of , if any, previously granted to each officer and the exercise price of any outstanding to ensure that such grants are in accordance with the policies of the CSE.

The Corporation has adopted the stock option plan of the Corporation dated August 31, 2022, (the “Option Plan”), which was approved by Shareholders at the Corporation's annual and special meeting held on August 31, 2022. Pursuant to the Option Plan, a maximum of 5,429,400 Common Shares may be reserved for issuance pursuant to granted thereunder, which represented 20% of the number of issued and outstanding Common Shares as at July 28, 2022.

### **Description of the Option Plan**

The following description of the Option Plan is a summary only and is qualified in its entirety by the full text of the Option Plan, a copy of which will be provided at no charge upon request to the Corporation at 6600 Goreway Drive, Unit D, Mississauga, Ontario, L4V 1S6, attention: Corporate Secretary.

1. may be granted in such numbers and with such vesting provisions as the Board may determine;
2. the exercise price of shall not be less than the “discounted market price” of the Common Shares at the date of granting such Option. For purposes of the Option Plan, “discounted market price” means the greater of the closing market price of the underlying Common Shares on (a) the closing price of the Common Shares on the CSE on the last business day prior to the date on which the Option is granted, and (b) the date of the grant of the Option;
3. the term and expiry date of the granted shall be determined in the discretion of the Board at the time of granting of the ;
4. the maximum term for is five (5) years;
5. the are not assignable or transferable, with the exception of an assignment made to a personal representative of a deceased Participant;
6. may be granted to those directors, employees and consultants of the Corporation (and, when applicable, to a company wholly owned by any such director or employee) as the Board may determine. May only be granted to an employee or consultant if such employee or consultant is a bona fide employee or consultant of the Corporation or a subsidiary of the Corporation, as the case may be;
7. the issuance of Common Shares to any one individual within a one-year period may not exceed 5% of the issued and outstanding Common Shares;
8. the issuance of Common Shares to any one “consultant” of the Corporation, within a one-year period, may not exceed 2% of the issued and outstanding Common Shares;
9. the issuance of Common Shares to any one “consultant” of the Corporation engaged to provide investor relation activities for the Corporation, within a one-year period, may not exceed 1% of the issued and outstanding Common Shares;
10. the vesting period or periods during which an Option or a portion thereof may be exercised by a Participant shall be determined by the Board.
11. in the event of the resignation or retirement of a Participant, or the termination of the employment of a Participant, whether with or without cause or reasonable notice, prior to the expiry time of an Option, such Option shall cease and terminate on the ninetieth day following the effective date of such resignation, retirement or termination, and in the event of the death of a holder of , such shall be exercisable until the earlier of one year following the death of the holder, or the expiry time of such Option, whichever occurs first, and thereafter shall be of no further force or effect whatsoever as to the Common Shares in respect of which such Option has not previously been exercised;

12. the Board retains the right to suspend, terminate, or discontinue the terms and conditions of the Option Plan by resolution of the Board;
13. the Board has the discretion to make any amendments to the Option Plan that it may deem necessary, without having to obtain Shareholder approval, except (i) any increase in the maximum number of Common Shares issuable under the Option Plan, and (ii) as required pursuant to the rules and policies of the CSE.

### **Employment, Consulting and Management Agreements**

The Corporation has entered into agreements with each of its Named Executive Officers, as described below.

#### *Elliott K Etheredge*

Elliott K Etheredge was appointed Chief Executive Officer effective January 4, 2023. The Corporation has agreed to pay Mr. Etheredge a fee of US\$3,000 per month to act as Chief Executive Officer of the Corporation. Mr. Elliott has an arrangement with the Corporation which provides for payments at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, change in control of the Corporation or a change in his responsibilities.

#### *Francesco Coccia*

Mr. Coccia resigned as Chief Executive Officer and was appointed Founder-President and Chief Operating Officer effective January 4, 2023. The Corporation agreed to pay Mr. Coccia \$14,500 per month. Mr. Coccia has no arrangement with the Corporation which provides for any payments at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, change in control of the Corporation or a change in his responsibilities.

#### *Douglas P. Baker*

Douglas P. Baker was appointed as Chief Financial Officer of the Corporation effective November 16, 2015. The Corporation has agreed to pay Mr. Baker a fee of US\$2,500 per month to act as Chief Financial Officer of the Corporation. Mr. Baker has no arrangement with the Corporation which provides for any payments at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, change in control of the Corporation or a change in his responsibilities.

### **Oversight and Description of Director and Named Executive Officer Compensation**

The Corporation's process for determining executive compensation relies solely on discussions of the Board without any formal objectives, criteria and analysis. The compensation of the Corporation's Named Executive Officers has been established with a view to attracting and retaining executives critical to the Corporation's short and long-term success and to continuing to provide executives with compensation that is in accordance with existing market standards generally. Compensation of the Corporation's Named Executive Officers is comprised of salary and the grant of to purchase Common Shares under the Option Plan.

The Corporation created a compensation committee of the Board (the "**Compensation Committee**"). The Compensation Committee currently consists of three (3) members: Richard Cooper (Chair), Murray Cook, and Thomas Bijou. Its primary mandate is to review and implement compensation practices to attract, retain and motivate its executive officers, employees and directors, both in the short term and the long term. It is currently preparing a written committee mandate. As a result, the Board has not adopted any specific policies or practices to determine the compensation for the Corporation's directors and executive officers other than as disclosed above.

### ***Director Compensation***

The Corporation has no standard arrangement pursuant to which directors are compensated for their services as directors, except for the granting from time to time of in accordance with the Option Plan. Currently, the directors of the Corporation do not receive any compensation for attending meetings of the Board or a committee of the Board.

### ***Pension Plan Benefits***

The Corporation does not currently provide pension plan benefits to its Named Executive Officers.

### **Directors' and Officers' Liability Insurance**

The Corporation has a standard directors' and officers' liability insurance policy to cover the Corporation's directors and officers up to \$1,000,000 per claim and policy period.

## **CORPORATE GOVERNANCE DISCLOSURE**

### ***Statement of Corporate Governance***

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58 101") an issuer whose common shares are traded on the Canadian Securities Exchange and which issuer is seeking proxies from its security holders for the purposes of electing directors must include in its management information circular the corporate governance practices which have been adopted by the issuer as more fully set out in NI 58-101.

Corporate governance refers to the manner in which a board of directors oversees the management and direction of a corporation. Governance is not a static issue, and must be judged from time-to-time based on the evolution of a corporation with respect to its size and the nature or its business, and upon the changing standards of the community. Not all corporate governance systems are alike. The Corporation's approach has been developed with respect to the Corporation's growth and current status. The composition of the Board is reviewed on an annual basis by the full Board and Management. The Board's mandate is to consider corporate governance matters and make recommendations consistent with the Corporation's position and size. The resulting approach to corporate governance adopted by the Board reflects these recommendations and recognizes the responsibility of the Board for the stewardship of the Corporation.

The Corporation's approach to corporate governance is set out in Schedule "A" attached to this Information Circular. Through regular review at quarterly meetings, the Board will continue to examine these issues. In addition, and as required by National Instrument 52-110 – *Audit Committees* ("NI 52-110"), the Corporation is required to set out detailed information concerning its audit committee (the "**Audit Committee**"), which can be found in Schedule "B" to this Information Circular.

The Board is currently composed of five (5) directors, all of which are independent. For the Corporation, the implementation of a detailed system to address every issue of corporate governance would be an undue strain on its resources and finances. In order to address a wide range of issues of governance more effectively, the Board has elected to undertake three areas of activity through board discussion, consensus or through the partial assistance of the Board, as follows:

- (a) The tasks of appointing and assessing directors, and the assessment of the effectiveness of the Board, its committees and individual directors, are carried out by the full Board, rather than by appointed committees. New directors are given background materials and a review of the Corporation's development.
- (b) The Board monitors management on a regular basis. The annual budget is reviewed regularly by the Board and by the Audit Committee as a basis to assess performance and progress. This procedure is favoured over the use of formal mandates which would define limits to Management's responsibilities, or the use of procedures to approve the Chief Executive Officer's corporate objectives to ensure the Board can function independently of Management. However, the Board

will consider, on an ongoing basis, issues concerning the independence of the Board from Management.

- (c) The Board has not adopted a system that would enable an individual director to engage an advisor at the expense of the Corporation in appropriate circumstances. At this time, agreement by the Board to any such retainer, if at the expense of the Corporation, would be required.

The committees of the Board are comprised primarily of independent directors and function as set out below.

#### Audit Committee

The Audit Committee meets as required to review the annual and quarterly financial statements, matters relating to the securities commissions, investments and transactions that could adversely affect the well-being of the Corporation and management's recommendations regarding share issues of the Corporation. The Audit Committee also establishes and monitors procedures to reduce conflicts of interest and for reviewing audit and financial matters. Through meetings with external auditors and Management, the Audit Committee discusses, among other things, the effectiveness of the internal control procedures established for the Corporation. At all times, at least one Audit Committee member possesses accounting or related financial expertise, while the remaining members are, at minimum, in possession of significant experience in analyzing the financial condition of corporations. The Board has adopted a charter for the Audit Committee which sets out the responsibilities of the Audit Committee and provides guidance to Audit Committee members. The Audit Committee of the Corporation currently consists of three members: Richard Cooper (Chair), Murray Cook, and Thomas F. Bijou. Each of Richard Cooper, Murray Cook, and Thomas F. Bijou are independent as defined in NI 52-110. All of the members of the Audit Committee are financially literate as defined in NI 52-110.

#### Compensation Committee

The Compensation Committee currently consists of three members: Richard Cooper (Chair), Thomas Bijou, and Murray Cook. For additional information with respect to the Compensation Committee see the information above under the heading "*Statement of Executive Compensation - Oversight and Description of Director and Named Executive Officer Compensation.*"

#### Governance Committee

The Board has adopted a mandate for the Governance Committee which sets out the responsibilities of the Governance Committee and provides guidance to Governance Committee members. The Governance Committee consists of five (5) directors: Howard Westerman (Chair), Richard Cooper, and Thomas Bijou. The purpose of the Governance Committee includes assisting the Board in fulfilling its oversight responsibilities with respect to developing corporate governance guidelines and principles for the Corporation, identifying individuals qualified to be nominated as members of the Board and the structure and composition of Board committees, evaluating the performance and effectiveness of the Board executive management succession and development.

### **OTHER MATTERS**

Management is not aware of any other business to come before the Meeting other than as set forth in the Notice of Meeting accompanying this Information Circular. If any other business properly comes before the Meeting, it is the intention of the persons named in the Instrument of Proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation may be found on the SEDAR website located at [www.sedar.com](http://www.sedar.com). Additional financial information is provided in the Corporation's comparative audited financial statements and management's discussion and analysis for the most recently completed financial year. Shareholders may contact the Corporation at PUDO Inc., 6600 Goreway Drive, Unit D, Mississauga, Ontario L4V 1S6 Attention: Chief Financial Officer to request copies of the Corporation's financial statements and accompanying management's discussion and analysis.

**GENERAL**

Information contained herein is given as of July 28, 2023. Save for the matters referred to herein, Management knows of no other matters intended to be brought before the Meeting. However, if any matters, which are not now known to Management of the Corporation, shall properly come before the Meeting, the proxy given pursuant to this solicitation by Management will be voted on such matters in accordance with the best judgment of the person voting the proxy, in the event such discretionary authority is provided in the Proxy. The contents and sending of this Information Circular have been approved by the Board of the Corporation.

) **BY ORDER OF THE BOARD OF DIRECTORS**  
)  
) */s/ "Richard Cooper"*  
)  
)  
) \_\_\_\_\_  
) **RICHARD COOPER**  
) Chairman



## Schedule "A"

### Statement of Corporate Governance Practices

The following table details the Corporation's corporate governance practices and addresses the disclosure requirements set out in Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)*:

| <b>1. BOARD OF DIRECTORS</b>                   |   |               |                                      |                       |
|--|---|---------------|--------------------------------------|-----------------------|
| <b>Composition of the Board</b>                | The Board is composed of five (5) directors: Richard Cooper, Howard Westerman, Thomas F. Bijou, Murray Cook, and Tracy K. Bramlett.   |               |                                      |                       |
| <b>Independent Directors</b>                   | Richard Cooper, Howard Westerman, Thomas F. Bijou, Murray Cook, Tracy K. Bramlett are "independent" within the meaning of NI 58-101.  |               |                                      |                       |
| <b>Other directorships</b>                     | <b>Director</b>   | <b>Issuer</b> | <b>Issuer Reporting Jurisdiction</b> | <b>Stock Exchange</b> |
|  | <b>Richard Cooper</b>   | N/A           | N/A                                  | N/a                   |
|  | <b>Howard Westerman</b>   | N/A           | N/A                                  | N/A                   |
|  | <b>Thomas F. Bijou</b>  | N/A           | N/A                                  | N/A                   |
|  | <b>Murray Cook</b>  | N/A           | N/A                                  | N/A                   |
|  | <b>Tracy K. Bramlett</b>  | N/A           | N/A                                  | N/A                   |
| <b>2. ORIENTATION AND CONTINUING EDUCATION</b> |   |               |                                      |                       |
| <b>New director orientation</b>                | The Corporation does not have a formal orientation and education program for new directors. However, new directors are provided with relevant materials with respect to the Corporation as well as being oriented on relevant corporate issues by senior management and legal counsel.  |               |                                      |                       |
| <b>Continuing education of the board</b>       | The Board currently does not provide continuing education for its directors. By using a Board composed of experienced professionals with a wide range of expertise, the Corporation ensures that the Board operates effectively and efficiently. Currently, the Board members have access to and actively consult with legal counsel to the Corporation on various matters with respect to their duties and obligations to the Corporation.   |               |                                      |                       |
| <b>3. ETHICAL BUSINESS CONDUCT</b>             |   |               |                                      |                       |
| <b>Code of ethics</b>                          | The Board has not adopted a written code of ethics and expectations for business conduct for the directors, officers and employees of the Corporation. Under corporate legislation, directors are required to act honestly and in good faith with a view to the best interests of the Corporation, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.   |               |                                      |                       |
| <b>Handling non-arm's length transactions</b>  | A director who is party to a proposed material contract or transaction with the Corporation, or who is a director or an officer of, or has a material interest in, any person who is a party to a material contract or transaction, is required to disclose his or her interest to the Board, not attend any part of a meeting of the Board at which that contract or transaction is considered, and abstain from voting on that contract or transaction. A thorough discussion of the documentation related to any material contract or transaction is required for review by the Board, particularly independent directors. |               |                                      |                       |
| <b>Culture of ethical conduct</b>              | The Board seeks directors who have proven track records to ensure a culture of ethical business conduct.  |               |                                      |                       |
| <b>4. NOMINATION OF DIRECTORS</b>              |   |               |                                      |                       |
| <b>Nomination Process</b>                      | The Board seeks to recruit directors who have direct experience in the courier business, significant public company experience, and no significant conflicting public company associations. Candidates identified to the Board by the   |               |                                      |                       |

|  |  |
|--|--|
|  | recruitment of new directors has generally resulted from recommendations made by existing directors and shareholders of the Corporation. Prior to standing for election, proposed nominees to the Board are reviewed by the entire Board.  |
| <b>5. COMPENSATION</b>                             |  |
| <b>Determining director and CEO compensation</b>   | Director and CEO compensation are determined at the discretion of the Board. The Corporation relies solely on discussions of the Board without any formal objectives, criteria and analysis.   |
| <b>Use of a compensation consultant or advisor</b> | The Corporation has felt no need to retain any compensation consultants or advisors at any time since the beginning of the Corporation's most recently completed financial year.   |
| <b>6. OTHER BOARD COMMITTEES</b>                   |  |
| <b>Audit Committee</b>                             | The Audit Committee consists of three (3) directors: Richard Cooper (Chair), Murray Cook, and Thomas Bijou.  |
| <b>Compensation Committee</b>                      | The Compensation Committee consists of three (3) directors: Richard Cooper (Chair), Thomas Bijou, and Murray Cook.   |
| <b>Governance Committee</b>                        | The Governance Committee consists of four (4) directors: Howard Westerman (Chair), Richard Cooper, and Thomas Bijou.   |
| <b>Other board committees</b>                      | The Corporation does not currently have any other committees.<br><br>Tracy K. Bramlett does not currently sit on any of the committees at this time.   |
| <b>7. ASSESSMENTS</b>                              |  |
| <b>Board and committee effectiveness</b>           | <p>The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors. The Audit Committee, as part of their annual review, assesses the effectiveness of the Board and its independence. The Audit Committee assesses the adequacy of the information provided, the regular nature of the communication between the Board and Management and reviews whether management is following the mandated strategic direction as set out in the Board's direction and management milestones.</p> <p>The Board assesses the CEO's effectiveness in attaining the Corporation's corporate objectives, budgets and milestones.</p> <p>Management and directors communicate with shareholders on an ongoing basis, and shareholders are regularly consulted on the effectiveness of Board members and Management.</p> |

## Schedule "B" – Audit Committee Disclosure

The following information regarding the Audit Committee of the Corporation's Board of Directors is required to be disclosed pursuant to National Instrument 52-110 – Audit Committees ("**NI 52-110**").

### *Audit Committee Charter*

The text of the Audit Committee's charter is set out as Appendix "1" to this Schedule "B".

### *Composition of the Audit Committee*

The members of the Audit Committee are Richard Cooper, Murray Cook, and Thomas F. Bijou. Richard Cooper is the Chair of the Audit Committee. Each of Messrs. Cooper, Cook, and Bijou is "independent" and "financially literate", as those terms are defined NI 52-110.

### *Relevant Education and Experience*

The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an audit committee member is as follows:

- **Richard Cooper:** Mr. Cooper has extensive business experience as an entrepreneur and has been involved in the growth and development of at least 15 companies over the past 40 years. In addition to his involvement with PUDO, he continues to serve as Chairman of the Board of Cardinal Couriers, and as a director Global Senor Systems and Isogrid Composites.
- **Thomas Bijou:** Mr. Bijou has extensive business experience as a leader in the development of various private and public companies. He was the co-founder of Tigon, President of the operating subsidiary of Aegis Communications Group, Chairman and lead financier of Knowledge Communications, lead financier of Freestone System and Chief Executive Officer of Applied Nanotech Holdings.
- **Murray Cook:** Mr. Cook has extensive experience in mega development projects globally. He was founding CEO of one of the middle East's largest development companies; developer of Dubai West Side Marina, home of the world's tallest building; Executive VP BC Place, re-developing 20% of downtown Vancouver leading up to Expo 86; and re-structuring Whistler Land Company for the province of BC. Mr. Cook is currently CEO of Verse Dev Corp and advisor to numerous corporations.

### **Audit Committee Oversight**

At no time since the commencement of the Corporation's most recently completed financial year has there been a recommendation of the audit committee to nominate or compensate an external auditor which was not adopted by the Board.

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

The policy of the Audit Committee regarding the engagement of non-audit services is set out in the Audit Committee's Charter, which is disclosed in its entirety as Appendix "1" hereto.

### External Auditor Service Fees (By Category)

The following table provides details in respect of audit, audit related, tax and other fees billed by the Corporation's external auditor in each of the last two financial years:

| Financial Year Ending | Audit Fees <sup>(1)</sup> | Audit Related Fees <sup>(2)</sup> | Tax Fees <sup>(3)</sup> | All Other Fees <sup>(4)</sup> |
|-----------------------|---------------------------|-----------------------------------|-------------------------|-------------------------------|
| February 28, 2023     | 66,000                    | \$6,233                           | \$4,944                 | \$5,483.79                    |
| February 28, 2022     | \$48,150                  | \$7,723                           | \$8,560                 | Nil                           |

Notes:

- (1) Aggregate fees billed for professional services rendered by the auditor for the audit of the Corporation's annual financial statements.
- (2) Aggregate fees billed for professional services rendered by the auditor in respect of assurance and related services reasonably related to the performance of the audit or review of the Corporation's financial statements which are not included in "Audit Fees".
- (3) Aggregate fees billed for tax compliance, tax advice and tax planning professional services.
- (4) Aggregate fees billed for other services including the provision of accounting advice.

### Exemption

The Corporation is a "venture issuer" pursuant to NI 52-110 (its securities are not listed or quoted on any of the Toronto Stock Exchange, a market in the U.S., or a market outside of Canada and the United States), and is relying on the exemption from Part 5 (*Reporting Obligations*) of NI 52-110 provided in section 6.1 of NI 52-110.

## **Appendix "1" to Schedule "B" – Audit Committee Charter**

There shall be a committee of the Board of Directors (the "**Board**") of PUDO Inc. (the "**Corporation**") known as the Audit Committee.

### **General Purpose**

The Audit Committee has been established to assist the Board in fulfilling its oversight responsibilities with respect to the following areas: the Corporation's external audit function; internal control and management information systems; the Corporation's accounting and financial reporting requirements; the Corporation's compliance with law and regulatory requirements; the Corporation's risks and risk management policies and such other functions as are delegated to it by the Board. Specifically, with respect to the Corporation's external audit function, the Audit Committee assists the Board in fulfilling its oversight responsibilities relating to: the quality and integrity of the Corporation's financial statements; the independent auditors' qualifications; and the performance of the Corporation's independent auditors.

The Audit Committee is intended to facilitate and provide a means of open communication between management, the external auditors and the Board.

### **Composition and Qualifications**

The Audit Committee shall consist of as many members as the Board shall determine, but in any event not fewer than three (3) members who are appointed by the Board. The composition of the Audit Committee shall meet all applicable independence, financial literacy and other legal and regulatory requirements. More specifically, all members of the Audit Committee shall be "unrelated"<sup>1</sup> and "financially literate"<sup>2</sup> and at least one (1) member shall have "accounting or related financial experience"<sup>3</sup>.

The Board shall designate the Chairman of the Audit Committee. The Chairman shall have responsibility for overseeing that the Committee fulfills its mandate and duties effectively.

Each member of the Audit Committee shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board may fill a vacancy which occurs in the Audit Committee at any time.

### **Meetings**

The Chairman of the Audit Committee, in consultation with the Audit Committee members, shall determine the schedule and frequency of the Audit Committee meetings provided that the Audit Committee will meet at least four (4) times in each fiscal year and at least once in every fiscal quarter. The Audit Committee shall have the authority to convene additional meetings as circumstances require. A schedule for each of the meetings will be disseminated to Audit Committee members prior to the start of each fiscal year. A detailed agenda for each meeting will be disseminated to Audit Committee members as far in advance of each meeting as is practicable.

The Audit Committee shall meet separately, periodically, with management, counsel and the external auditors. The Audit Committee shall meet separately with the external auditors at every meeting of the Audit Committee at which external auditors are present.

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<sup>1</sup> a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with a view to the best interests of the Corporation, other than interests and relationships arising from shareholding.

<sup>2</sup> the ability to read and understand a balance sheet, an income statement, a cash flow statement and the notes attached thereto.

<sup>3</sup> the ability to analyse and interpret a full set of financial statements including the notes attached thereto, in accordance with generally accepted accounting principles.

## Responsibilities

The Audit Committee is mandated to carry out the following responsibilities:

### 1. External Auditors

- (a) Subject to applicable law, the Audit Committee shall be responsible for the appointment, compensation, oversight and termination of the external auditor. The external auditor shall report directly to the Audit Committee and shall be accountable to the Board and Audit Committee as representatives of the shareholders.
- (b) The Audit Committee shall pre-approve all non-audit mandates for services the external auditor shall undertake.
- (c) The Audit Committee shall satisfy itself, on behalf of the Board, that the external auditor is independent of management. In assessing such independence, the Audit Committee shall discuss with the external auditor, and may require a letter from the external auditor outlining, any relationships between the external auditors and the Corporation or its affiliates.
- (d) The Audit Committee shall review the audit plan of the external auditors, the integration of the external audit with the internal control program, and the results of the audit, which shall include reviewing the external auditor's letter to management and management's response thereto and other material written communications between management and the external auditors.
- (e) The Audit Committee shall satisfy itself, annually or more frequently as the Audit Committee considers appropriate, as to the external auditors' internal quality control procedures and any material issues raised by the most recent internal quality control review, or peer review, of the external auditor, or by any public enquiry, review, or investigation by governmental, professional or other regulatory authorities.
- (f) The Audit Committee shall periodically review and discuss with management and the external auditors the quality and acceptability of the Corporation's accounting policies and practices, the materiality levels which the external auditors propose to employ, any significant changes in the accounting policies and any proposed changes in accounting or financial reporting that may have a significant impact on the Corporation.
- (g) The Audit Committee shall discuss with management and the external auditors all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management by the external auditors, the ramifications of these alternative treatments and the treatment preferred by the external auditors.

### 2. Financial Information

- (a) The Audit Committee shall discuss with management and the external auditors whether the audited annual financial statements present fairly (in accordance with Canadian generally accepted accounting principles) in all material respects the financial condition, results of operations and cash flows of the Corporation as of and for the periods presented and, where appropriate, recommend for approval to the Board, the annual audited financial statements of the Corporation.
- (b) The Audit Committee shall discuss with management and the external auditors whether the unaudited quarterly financial statements present fairly (in accordance with generally accepted accounting principles) in all material respects the financial condition, results of operations and cash flows of the Corporation as of and for the periods presented and, where appropriate, recommend for approval to the Board, the unaudited quarterly financial statements of the Corporation.

- (c) The Audit Committee shall review the Annual Report to Shareholders and other financial information (including the annual and quarterly Management's Discussion and Analysis of Financial Condition and Results of Operations and any prospectus or offering circular) prepared by the Corporation with management and, where appropriate, recommend for approval to the Board and recommend for filing with regulatory bodies.
- (d) The Audit Committee shall review any news releases and reports to be issued by the Corporation containing earnings guidance or financial information for research, analysts and rating agencies. The Audit Committee shall also review the Corporation's policies relating to financial disclosure and the release of earnings guidance and the Corporation's compliance with financial disclosure rules and regulations.
- (e) The Audit Committee shall discuss with management and the external auditors important trends and developments in financial reporting practices and requirements and their effect on the Corporation's financial statements.

3. Internal Control

- (a) The Audit Committee shall oversee the adequacy and effectiveness of the Corporation's internal control systems, through discussions with the Corporation's external auditors and management and shall report to the Board on an annual basis.

4. Risk Management

- (a) The Audit Committee shall review with management the principal risks facing the Corporation, and the policies, processes and procedures for management's monitoring and managing of such risks or exposures. If necessary, the Audit Committee will mandate, monitor and evaluate the steps management has taken to monitor and manage such exposures, including insuring against such risks, where appropriate.

5. Compliance with Legal and Regulatory Requirements

- (a) The Audit Committee shall review with management, and any internal or external counsel as the Committee considers appropriate, any legal matters (including the status of pending litigation) that may have a material impact on the Corporation and any material reports or inquiries from regulatory or governmental agencies.
- (b) The Audit Committee shall review with counsel the adequacy and effectiveness of the Corporation's procedures to ensure compliance with the legal and regulatory responsibilities.

6. Other

- (a) The Audit Committee shall also perform such other activities related to this Charter as requested by the Board.
- (b) The Audit Committee shall review and assess the adequacy of this Charter annually and shall submit any proposed changes to the Board for approval.
- (c) The Audit Committee may delegate its authority and duties to subcommittees or individual members of the Committee as it deems appropriate.

## **Reporting**

The Audit Committee shall report its deliberations and discussions regularly to the Board and shall submit to the Board the minutes of its meetings.

## **Resources**

The Audit Committee shall have the authority, in its sole discretion, to retain independent legal, accounting and other consultants to advise the Audit Committee at the expense of the Corporation. The Audit Committee shall be provided with the necessary funding to compensate the external auditors and any other advisors they engage.

The Audit Committee may request any officer or employee of the Corporation or the Corporation's external counsel or external auditors to attend a meeting of the Audit Committee or to meet with any member of, or consultants to, the Audit Committee. The Audit Committee shall have full access to all of the Corporation's books, records, facilities and personnel.

## **Complaints Procedure**

Any director, officer or employee who has any concern or complaints regarding accounting, internal control or auditing matters or any potential violations of law or regulatory provisions may, in accordance with the Code of Business Conduct, make an anonymous submission to any member of the Audit Committee. The Audit Committee shall establish procedures for the review and resolution of such complaints.

## **Limitation on the Oversight Role of the Audit Committee**

Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject. Each member of the Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Corporation from whom he or she receives financial and other information, and the accuracy of the information provided to the Corporation by such persons or organizations.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles in Canada and applicable rules and regulations. These are the responsibility of management and the external auditors.