

**MANAGEMENT INFORMATION CIRCULAR**

**CAPTOR CAPITAL CORP.**

**ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON  
OCTOBER 30, 2024**

**SEPTEMBER 13, 2024**

**CAPTOR CAPITAL CORP.  
4 KING STREET WEST, SUITE 401  
TORONTO, ONTARIO M5H 1B6**

**NOTICE OF  
ANNUAL  
MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the “**Meeting**”) of the shareholders of Captor Capital Corp. (the “**Corporation**”) will be held at 4 King Street West, Suite 401, Toronto, Ontario M5H 1B6 on, the 30<sup>th</sup> day of October, 2024 at 10:00 a.m. (Toronto time) for the following purposes:

- (a) to receive and consider the audited consolidated financial statements of the Corporation as at and for the year ended March 31, 2024, together with the report of the auditors thereon, and the interim consolidated financial statements of the Corporation as at and for the period ended June 30, 2024;
- (b) to elect directors for the ensuing year;
- (c) to appoint auditors and to authorize the directors to fix their remuneration; and
- (d) to transact such further or other business as may properly come before the Meeting or any adjournment thereof.

This notice is accompanied by a form of proxy and a management information circular (the “**Circular**”), which management information circular is deemed to form part of this notice.

The nature of the business to be transacted at the Meeting is described in further detail in the Circular under the section "Particulars of Matters to be Acted Upon". The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting is September 13, 2024 (the "**Record Date**"). Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of, and to vote, at the Meeting or any adjournments or postponements thereof.

**All Shareholders are invited to attend the Meeting and may attend in person or may be represented by proxy.**

The Corporation will be using the notice-and-access model provided under National Instrument 51-102 – *Continuous Disclosure Obligations* and National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**Notice and Access**") for the delivery of the Circular and other related materials for the Meeting (the "**Meeting Materials**") to Shareholders. Under Notice and Access, instead of receiving printed copies of the Meeting Materials, Shareholders receive a package in the mail containing: (i) information on the Meeting date, location and purpose; (ii) a form of proxy or voting instruction form so Shareholders can vote their shares; and (iii) information on how they may electronically access the Meeting Materials. However, the Corporation will mail paper copies of the Meeting Materials to those Registered Shareholders and Non-Registered Shareholders (as defined below) who have previously elected to receive paper copies of the Meeting Materials. The Meeting Materials will be available at <https://capitaltransferagency.com/agm-asm> on or about September 20, 2024 and will remain on the website for one full year thereafter. Meeting Materials are also available upon request, without charge, by calling toll-free 1(844) 499-4482, or can be accessed online on SEDAR at [www.sedar.com](http://www.sedar.com) on or about September 20, 2024.

**REGISTERED SHAREHOLDERS**

Completed proxies for Registered Shareholders must be returned to Capital Transfer Agency, the Corporation's transfer agent, (i) by mail to Capital Transfer Agency, 390 Bay Street, Suite 920, Toronto, Ontario M5H 2Y2; or (ii) by facsimile at (416) 350-5008; or (iii) via email to [info@capitaltransferagency.com](mailto:info@capitaltransferagency.com), in each case by 10:00 am (Eastern time) October 28, 2024, being the time that is not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) any adjournments or postponements thereof (the "**Proxy Deadline**").

**NON-REGISTERED SHAREHOLDERS**

Non-Registered Shareholders will either: (i) receive a voting instruction form; or (ii) be given a proxy which has already

been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted to the number of Common Shares beneficially owned by the Non-Registered Shareholder, but which is otherwise not completed.

Non-Registered Shareholders should carefully follow the instructions that accompanying the voting instruction form or the proxy, including those indicating when and where the voting instruction form or the proxy is to be delivered. Voting instructions must be deposited by the Proxy Deadline, however your voting instruction form may provide for an earlier date in order to process your votes in a timely manner. Voting instruction forms permit the completion of the voting instruction form online or by telephone. A Non-registered Shareholder wishing to attend and vote at the Meeting in person should follow the corresponding instructions on the voting instruction form or, in the case of a proxy, strike out the names of the persons named in the proxy and insert the Non-registered Shareholder's name in the space provided.

**DATED** this 13<sup>th</sup> day of September, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS**

(signed) "*John Zorbas*"

John Zorbas, Chief Executive Officer

# CAPTOR CAPITAL CORP.

## MANAGEMENT INFORMATION CIRCULAR

as at September 13, 2024

### GENERAL INFORMATION RESPECTING THE MEETING

**This Information Circular (the "Circular") is furnished in connection with the solicitation of proxies by the management of the Corporation** for use at the annual and special meeting (the "**Meeting**") of the holders of Common Shares of the Corporation ("**Shareholders**") to be held on the 30<sup>th</sup> day of October, 2024 at 10:00 a.m. (Toronto time) at 4 King Street West, Suite 401, Toronto, Ontario M5H 1B6 and at any adjournment(s) thereof, for the purposes set forth in the accompanying Notice of Meeting.

In this Circular, references to the "Corporation", "we" and "our" refer to Captor Capital Corp. and "Common Shares" means common shares without par value in the capital of the Corporation. "Beneficial Shareholders" means Shareholders who do not hold Common Shares in their own name and "intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

### GENERAL PROXY INFORMATION

#### Notice and Access

The Corporation will be using the notice-and-access model provided under National Instrument 51-102 – *Continuous Disclosure Obligations* and National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**Notice and Access**") for the delivery of the Circular and other related materials for the Meeting (the "**Meeting Materials**") to Shareholders. Under Notice and Access, instead of receiving printed copies of the Meeting Materials, Shareholders receive a package in the mail containing: (i) information on the Meeting date, location and purpose; (ii) a form of proxy or voting instruction form so Shareholders can vote their shares; and (iii) information on how they may electronically access the Meeting Materials. However, the Corporation will mail paper copies of the Meeting Materials to those Registered Shareholders and Non-Registered Shareholders (as defined below) who have previously elected to receive paper copies of the Meeting Materials. The Meeting Materials will be available at <https://capitaltransferagency.com/agm-asm> on or about September 20, 2024 and will remain on the website for one full year thereafter. Meeting Materials are also available upon request, without charge, by calling toll-free 1(844) 499-4482, or can be accessed online on SEDAR at [www.sedar.com](http://www.sedar.com) on or about September 20, 2024.

#### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Corporation. The Corporation will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders held by those intermediaries, and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

#### Appointment of Proxy Holders

The individuals named in the accompanying form of proxy (the "**Proxy**") are officers of the Corporation. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or Corporation other than either of the persons designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy (and striking out the names now designated) or by completing and delivering another suitable form of proxy.** For instructions regarding the completion and delivery of the Proxy, see below under the heading "Registered Shareholders".

## Voting of Proxies

**COMMON SHARES REPRESENTED BY PROPERLY EXECUTED PROXIES IN FAVOUR OF PERSONS DESIGNATED IN THE PRINTED PORTION OF THE ENCLOSED FORM OF PROXY WILL BE VOTED FOR EACH OF THE MATTERS TO BE VOTED ON BY SHAREHOLDERS AS DESCRIBED IN THIS CIRCULAR OR WITHHELD FROM VOTING OR VOTED AGAINST IF SO INDICATED ON THE FORM OF PROXY.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of meeting, or other matters which may properly come before the Meeting. At the time of printing this Circular, the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

Voting at the Meeting will be by a show of hands, and each proxyholder (representing a registered or unregistered shareholder) will have one (1) vote, unless a poll is required or requested, whereupon each such shareholder and proxyholder is entitled to one (1) vote for each Common Share held or represented, respectively. Each shareholder may instruct their proxyholder how to vote their Common Shares by completing the blanks on the proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting when a poll is required or requested and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the proxy, the management designees, if named as proxyholder, will vote in favour of the matters set out therein.**

**The enclosed proxy confers discretionary authority upon the management designees, or other person named as proxyholder, with respect to amendments to or variations of matters identified in the notice of meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Corporation is not aware of any amendments to, variations of or any other matter which may come before the Meeting. If other matters come before the Meeting, then the management designees intend to vote in accordance with the judgment of the Corporation.**

In order to approve a motion proposed at the Meeting a majority of greater than 50% of the votes cast will be required (an "ordinary resolution"), unless the motion requires a "special resolution" in which case a majority of 66 2/3% of the votes cast will be required.

## Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by completing, dating and signing the enclosed Proxy and returning it to the Corporation's transfer agent, Capital Transfer Agency ("**Capital Transfer**"); (i) by mail or hand delivery at 390 Bay Street, Suite 920, Toronto, Ontario M5H 2Y2; or (ii) by facsimile at (416) 350-5008; or (iii) via email to [info@capitaltransferagency.com](mailto:info@capitaltransferagency.com); in each case not less than forty-eight (48) hours, excluding Saturdays, Sundays or statutory holidays in the Province of Ontario, before the time set for the holding of the Meeting or any adjournment(s) thereof.

## Beneficial Shareholders

**The information set forth in this section is of significant importance as many shareholders do not hold shares in their own name.**

**Only shareholders whose names appear on the records of the Corporation as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting.** Most shareholders of the Corporation are non-registered shareholders ("**Beneficial Shareholders**") because the shares they own are not registered in their names, but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSPs, RRIFs, RESPs and similar plans; or clearing agency such as CDS Clearing & Depository Services Inc. (in each case, an "**Intermediary**"). If you purchased your Common Shares through a broker, you are likely a Beneficial Shareholder.

In accordance with securities law, the Corporation has distributed copies of the Meeting materials, being the notice of meeting, this Circular and the form of proxy. Intermediaries are required to forward the Meeting materials to Beneficial

Shareholders who request copies and to seek their voting instructions in advance of the Meeting. Common Shares held by Intermediaries can only be voted in accordance with the instructions of the Beneficial Shareholder. The Intermediaries often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Intermediary in order that your Common Shares are voted at the Meeting.

There are two kinds of Beneficial Shareholders – those who object to their identity being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners) and those who do not (called "**NOBOs**" for Non-Objecting Beneficial Owners).

#### Non-Objecting Beneficial Owners

The Corporation is relying on the provisions of NI 54-101 that permit it to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a voting instruction form ("**VIF**") from Capital Transfer. The VIF is to be completed and returned to Capital Transfer as set out in the instructions provided on the VIF. Capital Transfer will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIFs they receive. These materials are being sent to both registered and non-registered owners of the shares. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name and address, and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Corporation (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you; and (ii) carrying out your voting instructions. Please return your VIF as specified in the request for voting instructions sent to you.

#### Objecting Beneficial Owners

The Corporation has elected to pay for the Meeting materials to be sent to OBOs. Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a VIF in lieu of the proxy provided by the Corporation. The VIF will name the same persons as the Corporation's proxy to represent your shares at the Meeting. You have the right to appoint a person (who need not be a shareholder, and who can be yourself), other than any of the persons designated in the VIF, to represent your shares at the Meeting. To exercise this right, insert the name of the desired representative, who may be you, in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile, or provided to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting and the appointment of any shareholder's representative. If you receive a VIF from Broadridge, it must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend and vote your Common Shares at the Meeting.

#### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a Shareholder who has given a proxy may revoke it by executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Capital Transfer, by fax at 416-350-5008; or by mail or hand delivery to Capital Transfer, 390 Bay Street, Suite 920, Toronto, Ontario M5H 2Y2; at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

No person who has been a director or executive officer of the Corporation since the beginning of the last financial year and no associate or affiliate of any such director or executive officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than those persons being nominated as directors, and to the extent that directors and executive officers may participate in the Option Plan (as defined herein) to be re-approved.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Each holder of Common Shares of record at the close of business on September 13, 2024 (the "**Record Date**"), is entitled to vote at the Meeting or at any adjournment thereof, either in person or by proxy. Each Common Share carries one vote on any matter to be considered by the Shareholders. The quorum for a meeting of the shareholders of the Corporation is 2 persons present in person or by proxy.

As of the Record Date, the Corporation had 3,473,040 issued and outstanding Common Shares. Each Common Share carries the right to one vote. The Common Shares are listed and posted for trading on the Canadian Securities Exchange (the "CSE") under the symbol "CPTR".

To the knowledge of the directors and senior officers of the Corporation, no person or company beneficially owns, or controls or directs, directly or indirectly, 10% or more of any class of voting securities of the Corporation, on a non-diluted basis.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### 1. Presentation of Financial Statements

The audited consolidated financial statements of the Corporation as at and for the year ended March 31, 2024, together with the report of the auditors thereon, and the interim consolidated financial statements of the Corporation as at and for the period ended June 30, 2024, will be presented at the Meeting. Such statements are not part of this Circular and no vote of the Shareholders is required with respect to this item of business.

### 2. Election of Directors

The articles of the Corporation provide that the board of directors of the Corporation (the "**Board**") may consist of a minimum of one and a maximum of 20 directors, to be elected annually. The Corporation currently has four (4) directors and it is intended that three (3) directors be elected for the ensuing year. The Board has determined that a board of three (3) directors will be effective in the governance and supervision of the management of the Corporation's business and affairs upon the completion of the Meeting.

Management proposes that each of the persons named below (the "**Nominees**") be nominated at the Meeting for re-election or election, as the case may be, as directors of the Corporation to serve, until the next annual meeting of Shareholders or until his or her successor is elected or appointed. Management does not contemplate that any of the nominees will be unable to serve as a director. **However, if a nominee should be unable to so serve for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Shares represented by proxies in favour of management nominees will be voted for the election of all of the nominees whose names are set forth below, unless a Shareholder has specified in his proxy that his shares are to be withheld from voting on the election of directors.**

The following table and the notes thereto state the names of all persons to be nominated for election as directors, all other positions or offices with the Corporation now held by them, their principal occupations or employment, the year in which they became directors for the Corporation, the number of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by each of them, as of the date hereof.

Name and State/Province of Residence	Position	Principal Occupation	Director Since	Number of Voting Securities Beneficially Held, Directed or Controlled <sup>(1)</sup>
John Zorbas <sup>(2)</sup> Athens, Greece	Director, CEO and President	Entrepreneur President and CEO of Captor Capital Corp.	January 2018	894,437
Kyle Appleby <sup>(2)(3)</sup> Ontario, Canada	Director	Chartered Professional Accountant in Canada providing CFO services through CFO Advantage Inc.	July 2014	5,000
Mark Klein <sup>(2)(3)</sup> Tel Aviv, Israel	Director	Managing Director at The Lockwood Group LLC	November 2019	Nil

Notes:

- 1) The information as to voting securities beneficially owned or over which the Nominees exercise control or direction not being within the knowledge of the Corporation has been furnished by the respective Nominees individually.
- 2) Member of the Audit Committee.
- 3) Member of the Compensation Committee.

**IF ANY OF THE NOMINEES IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS SHARES ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS.**

### ***Director Nominee Biographies***

#### **John Zorbas**

*Director, CEO, President* – Mr. Zorbas is an entrepreneur with a proven track record in the metals exploration and development industry and investment banking. He has held senior advisory positions in various facets of business including operations, marketing, sales, strategic planning and structured finance.

#### **Kyle Appleby**

*Director* – Mr. Appleby joined the Corporation as a director in July 2014. Mr. Appleby spent the first 10 years of his career working in public accounting where he worked in both audit and advisory practices working with private companies and investment funds. In 2007, Mr. Appleby left the world of public accounting to focus on providing management, accounting and financial services to public companies across a variety of industries including cannabis, agriculture, technology, mining, crypto-currency and others. Mr. Appleby has been the Chief Financial Officer for numerous companies listed in Canada, US and London, and has extensive experience in financial reporting, providing strategic direction and leadership, IPOs, fund raising, and corporate governance. He holds a Bachelor of Economics and is a member in good standing of the Chartered Professional Accountants of Ontario.

#### **Mark Klein**

*Director* – Mr. Klein has over 17 years of senior level experience in all facets of start-ups, business strategy, and investment management. His distinguished career includes managing capital for Lockwood Group since 2017 and director board set at Pacific Arc Resources Ltd. Prior to joining Lockwood, Mr. Klein was Managing Director for a private, family-held Geneva-based investment management firm where oversaw and directed the asset-backed financing division. Mr. Klein also previously served as Founder and CEO of Skins, Inc., a publicly traded footwear and apparel business, Partner of Integrated Corporation Solutions Inc., an independent management consulting firm specialized in market positioning and branding and SVP of Global Business Development at Bevyz, a beverage company that was acquired by Keurig/Green Mountain Coffee Roasters. Mr. Klein was also Director of Mobile Business Development at AOL Inc. and the Founding Editor of Convertbond.com, a financial tech company, sold to Morgan Stanley in 1999. Mr. Klein attended the University of Connecticut and currently resides in Israel.



### ***Cease Trade Orders or Bankruptcies***

Other than as set out below, no nominee is, as of the date of this Circular, or has been, within the 10 years prior to the date of this Circular, a director or executive officer of any corporation that, while that person was acting in that capacity: (a) was the subject of a cease trade or similar order or an order that denied the corporation access to any exemption under securities legislation for a period of more than 30 consecutive days; (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the corporation being the subject of a cease trade or similar order or an order that denied the corporation access to any exemption under securities legislation for a period of more than 30 consecutive days; or (c) within a year of that person ceasing to act in that capacity, became bankrupt or 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 the assets of said corporation.

On August 6, 2019, the Corporation was cease traded for failing to file its audited annual financial statements on time for the year ended March 31, 2019. The Corporation filed its audited annual financial statements for the year ended March 31, 2019 on November 5, 2019 and the cease trade order was lifted on November 7, 2019. Messrs. Zorbas and Appleby were directors of the Corporation when the Corporation's Common Shares were cease traded.

On May 5, 2016, the Ontario Securities Commission issued a cease trade order against Nuinsco Resources Limited for failing to file, for the year ended December 31, 2015, annual audited Financial Statements, annual Management's Discussion and Analysis and certifications for the foregoing filings. Kyle Appleby was the Chief Financial Officer of Nuinsco Resources Limited at the relevant time. The cease trade order against Nuinsco Resources Limited was revoked on August 4, 2016.

Mr. Appleby is the Chief Financial Officer of Tantalex Resources Corp. which was issued a cease-trade order by the Ontario Securities Commission on August 19, 2020 for failure to file its financial statements and management's discussion and analysis for the financial year ended February 29, 2020. The cease-trade order was revoked by the Ontario Securities Commission on November 13, 2020.

Mr. Appleby is the Chief Financial Officer of Cadillac Ventures Inc. which was issued a cease-trade order by the Ontario Securities Commission on October 4, 2021 for failure to file its financial statements and management's discussion and analysis for the financial year ended May 31, 2021. As of the date hereof, the cease-trade order remains outstanding.

### ***Personal Bankruptcies***

No Nominee has, within 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 such person.

### ***Penalties and Sanctions***

No Nominee has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder in deciding whether to vote for a Nominee.

### ***Conflicts of Interest***

The directors are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interests that they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Corporation's knowledge, there are no known existing or potential conflicts of interest among the Corporation, its promoters, directors and officers or other members of management of the Corporation or of any proposed promoter, director, officer or other member of management as a result of their outside business interests, except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.**

3. **Appointment of Auditors**

Unless such authority is withheld, the persons named in the enclosed form of proxy intend to vote for the appointment of Clearhouse LLP as auditors of the Corporation for the 2025 fiscal year, and to authorize the directors to fix their remuneration. Clearhouse LLP are the current auditors of the Corporation and were first appointed as auditors of the Corporation by the Board on May 10, 2021.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPOINTMENT OF THE AUDITORS, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.**

## EXECUTIVE COMPENSATION

The following section provides details of all compensation paid to each of the directors and named executive officers of the Corporation for each of the two most recently completed financial years.

The following information is presented in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*, and provides details of all compensation for each of the directors and Named Executive Officers of the Corporation for the year ended March 31, 2024. For the purpose of this Statement of Executive Compensation:

“**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 Corporation or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.

“**Named Executive Officer**” or “**NEO**” means each of the following individuals:

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

“**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.

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

The Named Executives Officers who are the subject of this Statement of Executive Compensation are Chief Executive Officer and President, John Zorbas; Chief Financial Officer, Jing Peng; and Adam Wilks. Each director during the fiscal year ended March 31, 2024 is also listed.

### Compensation Discussion and Analysis

The Compensation Committee of the board of directors of the Corporation during the fiscal year ended March 31, 2024 was comprised of Kyle Appleby and Mark Klein and as of the date of this Circular the Compensation Committee is comprised of Kyle Appleby and Mark Klein. The compensation of the Corporation’s Named Executives Officers and directors is determined by the Corporation’s board of directors as a whole, after having received recommendations from the Compensation Committee who have monitored the Corporation’s compensation practices to ensure that the Corporation maintains its competitiveness and that it appropriately recognizes reward, growth and change within the organization, along with the Corporation’s current state of development and financial position. Compensation of the Corporation’s Named Executives Officers and directors is reviewed by the Compensation Committee and the board of directors on an annual basis. In the event a Named Executive Officer may be entitled to a discretionary bonus, the Compensation Committee reviews that individual’s performance, their contribution to the advancement of the Corporation’s goals and objectives and the financial performance and position of the Corporation. The Compensation Committee makes bonus recommendations to the board of directors annually and the board, as a whole, makes decisions with respect to any discretionary bonuses. Named Executives are not permitted to participate in the discussion or vote in connection with their own compensation.

Compensation for Named Executives is composed of three components, namely, base salary, participation in the Option Plan, and non-equity incentives. When determining such compensation, the board of directors takes into consideration individual performance, level of expertise, responsibilities, length of service to the Corporation and contribution to the financial health of the Corporation.

The general compensation philosophy of the Corporation for executive officers is to provide a level of compensation that is fair and competitive within the marketplace, that will attract and retain individuals with the experience and qualifications critical to the success of the Corporation and the enhancement of shareholder value, and that will reward the performance of those executives whose actions have a direct and identifiable impact on the performance of the Corporation. From time to time, the Corporation grants incentive stock options as well as non-equity incentives as part of total compensation to its Named Executive Officers.

### **Base Salary**

The base salaries paid to the Corporation's Named Executive Officers are based upon the Corporation's assessment of the salaries required to attract and retain the calibre of executives it needs to achieve its desired growth and performance targets. The Corporation's CFO works on a part time basis.

### **Stock Options**

The Corporation's Option Plan is intended to assist in attracting, retaining and motivating directors, officers, employees and service providers of the Corporation to closely align the personal interests of such directors, officers, employees and service providers with those of the shareholders by providing them with the opportunity, through options, to acquire Common Shares.

Decision to grant stock options is made by the board of directors and is done in compliance with the Option Plan and the rules and policies of the CSE. When the board of directors of the Corporation considers granting stock options, the board will take into consideration (i) the relative contributions of the individuals who are eligible to receive options; and (ii) the availability of options for issuance, general market conditions, and the Corporation's recent share performance.

### **RSUs**

The Corporation's RSU Plan is intended to assist in attracting, retaining and motivating directors, officers, employees and service providers of the Corporation to closely align the personal interests of such directors, officers, employees and service providers with those of the shareholders by providing them with equity ownership in the Corporation, upon satisfaction of the applicable vesting criteria.

Decision to grant RSUs is made by the board of directors and is done in compliance with the RSU Plan and the rules and policies of the CSE. When the board of directors of the Corporation considers granting RSUs, the board will take into consideration (i) the relative contributions of the individuals who are eligible to receive RSUs; and (ii) the availability of RSUs for issuance, general market conditions, and the Corporation's recent share performance.

### **Non-Equity Incentives**

Non-equity incentives are a variable element of the total compensation package, and though there is no formal plan in place at the current time and no non-equity incentive compensation (other than salary) was paid to Named Executive Officers or directors of the Corporation during the fiscal year ended March 31, 2024.

### **Summary Compensation Table**

The following table sets forth all compensation for services rendered in all capacities to the Corporation for the fiscal years ended March 31, 2024 and March 31, 2023 in respect of the Named Executive Officers of the Corporation. The Corporation had no other executive officers, or individuals acting in a similar capacity, whose total compensation during the fiscal year ended March 31, 2024 exceeded \$150,000.

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
John Zorbas CEO, President and Director <sup>(1)</sup>	2024	220,000	Nil	Nil	Nil	Nil	220,000
	2023	220,000	50,484	Nil	Nil	Nil	270,484
Jing Peng <sup>(2)</sup> CFO	2024	Nil	Nil	Nil	Nil	102,665	102,665
	2023	Nil	Nil	Nil	Nil	121,130	121,130
Adam Wilks <sup>(3)</sup> CEO of California Operations	2024	167,031	Nil	Nil	Nil	Nil	167,031
	2023	198,450	Nil	Nil	Nil	Nil	198,450
Mark Klein <sup>(4)</sup> Director	2024	60,000	Nil	Nil	Nil	Nil	60,000
	2023	65,000	Nil	Nil	Nil	Nil	65,000
Kyle Appleby <sup>(5)</sup> Director <sup>3</sup>	2024	60,000	Nil	Nil	Nil	Nil	60,000
	2023	65,000	Nil	Nil	Nil	Nil	65,000
Brady Cobb Director	2024	140,000	Nil	Nil	Nil	Nil	140,000
	2023	105,000	46,508	Nil	Nil	Nil	151,508

Notes:

- 1) All compensation shown above for Mr. Zorbas' services were payable to Alegana Enterprises Ltd. ("Alegana"), a company wholly owned by John Zorbas through which Mr. Zorbas provides his services to the Corporation. The services of John Zorbas as CEO are provided through Alegana. Alegana receives consulting fees of \$220,000 a year in consideration for the services provided by Mr. Zorbas under the terms of a written contract that runs for an indefinite term. The consulting fees paid to Alegana are for the function of the President which includes, but are not limited to, managing the operations of the Corporation. Alegana may receive, at the sole discretion of the board of directors, a performance bonus of up to 400% of the annual consulting fee payable by the Corporation to Alegana. Included in accounts payable and accrued liabilities as at March 31, 2024 owing to Alegana was \$12,219 (March 31, 2023 - \$12,219). Upon termination of Alegana by the Corporation without cause or a termination following a change of control, the Corporation is obligated to pay Alegana: (a) 1.5 times Alegana's annual consulting fee; and (b) an amount equal to 1.5 times the amount of all bonuses John Zorbas received for the most recent calendar year ended prior to the termination date or 2 times the amount of Alegana's annual consulting fee should John Zorbas not have received a bonus for the most recent calendar year ended prior to the termination date. Upon termination of Alegana under any other circumstances, the Corporation is not obligated to pay Alegana any penalty. Mr. Zorbas receives no separate compensation as a director. All compensation received by Mr. Zorbas is provided in the table above.
- 2) Mr. Jing Peng, the Chief Financial Officer ("CFO"), is a senior employee of Marrelli Support Services Inc. ("MSSI"). The management fees paid to MSSI relate to the CFO function performed by Mr. Peng which includes the reporting of financial information and the safeguarding of the Corporation's assets. Included in accounts payable and accrued liabilities as at March 31, 2024 was \$36,905 (March 31, 2023 - \$41,445) owing to MSSI. The Corporation has no ongoing contractual obligation or commitment to MSSI.
- 3) Compensation was paid in US dollars using exchange rates of US\$1 to C\$1.3487 for March 31, 2024 and US\$1 to C\$1.3230 for March 31, 2023.
- 4) Mr. Mark Klein is a director of the Corporation, who also provides consulting services to the Corporation. These consulting services are provided through Roecdo Enterprises LLC, a company controlled by Mr. Klein.
- 5) All fees paid to Mr. Appleby through CFO Advantage Inc., a corporation controlled by Mr. Appleby.

### Stock Options and Other Compensation Securities

An aggregate of 220,786 options were issued or granted to Named Executive Officers and directors during the year ended March 31, 2024. No RSUs were issued or granted to Named Executive Officers and directors during the year ended March 31, 2024.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion, or exercise price	Closing price of security or underlying security on date of grant	Closing price of security or underlying security at year end <sup>(1)</sup>	Expiry date
John Zorbas CEO, President, and Director	Stock options	60,000	2024-03-11	\$1.20	\$1.20	\$0.675	2027-03-11
Brady Cobb Director	Stock options	54,120	2024-03-11	\$1.20	\$1.20	\$0.675	2027-03-11
Mark Klein Director	Stock options	53,333	2024-03-11	\$1.20	\$1.20	\$0.675	2027-03-11
Kyle Appleby Director	Stock options	53,333	2024-03-11	\$1.20	\$1.20	\$0.675	2027-03-11

### Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by Named Executive Officers and directors during the year ended March 31, 2024.

### Employment, Consulting and Management Contracts

The Corporation has a consulting agreement for an indefinite term with Alegana Enterprises Ltd. (“**Alegana**”), through which Mr. John Zorbas provides his services to the Corporation. Alegana is controlled by Mr. John Zorbas. The consulting fees paid to Alegana are for the services Mr. Zorbas provides as President, which includes, but is not limited to, managing the capital structure and current investment portfolio of the Corporation. In accordance with the consulting agreement, Alegana is to receive \$220,000 per year for the services provided to the Corporation by John Zorbas. Alegana may receive, at the sole discretion of the board of directors, a performance bonus of up to 400% of the annual consulting fee payable by the Corporation to Alegana. Upon termination of Alegana by the Corporation without cause or termination following a change of control, the Corporation is obligated to pay Alegana: (a) 1.5 times Alegana’s annual consulting fee; and (b) an amount equal to 1.5 times the amount of all bonuses John Zorbas received for the most recent calendar year ended prior to the termination date or 2 times the amount of Alegana’s annual consulting fee should John Zorbas not have received a bonus for the most recent calendar year ended prior to the termination date. Upon termination of Alegana under any other circumstances, the Corporation is not obligated to pay Alegana any penalty.

The Corporation has a consulting agreement with MSSI, for the services of the CFO for a \$18,000 per annum plus reimbursable expenses. The agreement is terminable at any time and no payments would be due on a termination of such agreement.

The Corporation has a consulting agreement with Roedo Enterprises LLC, which is wholly owned by Mark Klein, for the certain services related to the Corporation’s California operations, including assistance with licensing matters, at rate that was \$10,000 per month and that is now \$3,000 per month. The agreement is terminable at any time and no payments would be due on a termination of such agreement.

The Corporation does not have a consulting or management agreement or employment agreement with any other Named Executive Officers or director.

### Summary of Stock Option Plan

The purpose of the Option Plan is to attract, retain and motivate persons as key service providers to the Corporation and to advance the interests of the Corporation by providing such persons with the opportunity, through share options, to acquire a proprietary interest in the Corporation and benefit from its growth. The options are non-assignable and may be granted for a term not exceeding five years. The Option Plan shall be administered by the board of directors of the Corporation or a committee established by the board of directors for that purpose (the “**Committee**”).

Options shall be granted only to Eligible Persons, any registered savings plan established by an Eligible Person or any corporation wholly-owned by an Eligible Person. An Eligible Person is (a) an executive officer or director of the

Corporation or a related entity; (b) either an individual who is considered an employee of the Corporation or a related entity of the Corporation under the Income Tax Act or applicable employment law in the jurisdiction in which the individual resides or is employed, or an individual who works full-time for the Corporation or a related entity providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the related entity over the details and methods of work as an employee of the Corporation or the related entity, but for whom income tax deductions are not made at source, or an individual who works for the Corporation or a related entity on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the related entity over the details and methods of work as an employee of the Corporation or the related entity, but for whom income tax deductions are not made at source (any such individual, an “**Employee**”); (c) an individual employed by a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual (a “**Company**”) or an individual (together with a Company, a “**Person**”) providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a Person engaged in Investor Relations Activities (as hereafter defined) (a “**Management Company Employee**”); (d) a Consultant of the Corporation or a related entity; and (e) an Investor Relations Person of the Corporation or a related entity.

The maximum number of Common Shares which may be reserved for issuance under the Option Plan is 10% of the aggregate number of issued and outstanding Common Shares that are issued and outstanding. The aggregate number of shares issued or made issuable under options granted under the Option Plan to a class or class or persons of during any time period, shall be subject to such limits as are applicable under the rules and policies of any stock exchange on which the Common Shares are then listed and to any applicable limits under applicable securities laws. If, and so long as, the Corporation is listed on the Canadian Securities Exchange (the “**CSE**”), the aggregate number of Common Shares issued or issuable to persons providing “Investor Relations Activities” (as defined in CSE policies) as compensation within a 12-month period, shall not exceed 1% of the total number of shares then outstanding or such higher amount as may be permitted under CSE policies.

The purchase price (the “**Price**”) for the shares of the Corporation under each option shall be determined by the board of directors or Committee, as applicable, on the basis of the market price, where “market price” shall mean the prior trading day closing price of the shares of the Corporation on any stock exchange on which the shares are listed or last trading price on the prior trading day on any dealing network where the shares trade, and where there is no such closing price or trade on the prior trading day, “market price” shall mean the average of the daily high and low board lot trading prices of the shares of the Corporation on any stock exchange on which the shares are listed or dealing network on which the shares of the Corporation trade for the five (5) immediately preceding trading days. While the shares are listed on the CSE, the Price shall not be lower than the greater of the closing market price of the shares on (A) the trading day prior to the grant, and (B) the date of grant of the options.

Subject to the approval of the Board, an optionee may exercise any option on a cashless basis. In such event, an optionee may file a notice in a form satisfactory to the Corporation and elect to surrender a number of vested options in exchange for an amount equal to (i) the aggregate Fair Market Value of the shares underlying the vested options being surrendered, minus (ii) the aggregate Price of the shares underlying the vested options being surrendered, minus (iii) any Applicable Withholding Taxes. The Corporation shall satisfy the payment of such amount by issuing to the optionee such number of shares (rounded down to the nearest whole number) with an aggregate Fair Market Value equal to such amount. Employees in the United States are hereby notified that utilizing the cashless exercise feature may result in negative tax consequences. Subject to the approval of the Board, an optionee may exercise any option pursuant to a broker-assisted cashless exercise, whereby the optionee may file a notice in a form satisfactory to the Corporation and shall elect on the notice to receive:

- (a) an amount in cash equal to the cash proceeds realized upon the sale in the capital markets of the shares underlying the options by a securities dealer designated by the Corporation, less the aggregate Price, any Applicable Withholding Taxes, and any transfer costs charged by the securities dealer to sell the shares;
- (b) an aggregate number of shares that is equal to the number of shares underlying the options minus the number of shares sold in the capital markets by a securities dealer designated by the Corporation as required to realize cash proceeds equal to the aggregate Price, any Applicable Withholding Taxes and any transfer costs charged by the securities dealer to sell the shares; or
- (c) a combination of (a) and (b).

If at any time when an option granted under the Option Plan remains unexercised with respect to any optioned shares:

- (a) the Corporation seeks approval from its shareholders for a transaction which, if completed, would constitute an Acceleration Event; or
- (b) a third party makes a bona fide formal offer or proposal to the Corporation or its shareholders which, if accepted, would constitute an Acceleration Event;

the Corporation shall notify the optionee in writing of such transaction, offer or proposal as soon as practicable and, (i) the board of directors or Committee, as applicable, may permit the optionee to exercise the option granted under the Option Plan, as to all or any of the optioned shares in respect of which such option has not previously been exercised (regardless of any vesting restrictions), during the period specified in the notice (but in no event later than the expiry date of the option), so that the optionee may participate in such transaction, offer or proposal; and (ii) the board of directors or Committee, as applicable, may require the acceleration of the time for the exercise of the said option and of the time for the fulfilment of any conditions or restrictions on such exercise.

Further, the Board, in its sole discretion, may authorize and implement any one or more of the following additional courses of action in the event of an Acceleration Event:

- (a) The Board may terminate without any payment or other consideration, any options not exercised or surrendered by the effective time of the Acceleration Event.
- (b) The Board may cause the Corporation to offer to acquire from each optionee his or her options for a cash payment equal to the In-The-Money Amount, and any options not so surrendered or exercised by the effective time of the Acceleration Event will be deemed to have expired.
- (c) The Board may require or cause that an option granted under the Option Plan be exchanged for an option to acquire, for the same aggregate consideration, that number and type of securities as would be distributed to the optionee in respect of the shares issued to the optionee had he or she exercised the option prior to the effective time of the Acceleration Event, provided that any such replacement option must provide that it survives for a period of not less than one year from the effective time of the Acceleration Event, regardless of the continuing directorship, officership or employment of the optionee. The exercise price for a substituted option following the Acceleration Event shall be the amount as the Board may determine as would provide the optionee with an equal economic result (assuming the optionee exercised the substituted option immediately after the Acceleration Event but not at any later time) as the optionee would have obtained had such optionee exercised the option immediately prior to the Acceleration Event.

If the Board exercises its discretion to accelerate expiry dates and/or the vesting of any or all options, the Board may determine that any exercise will, until the completion of such Acceleration Event, be conditional. In such case, an optionee that wishes to exercise his or her options, must deliver an exercise notice together with the aggregate Price in the manner specified in the Option Plan, which will each be held in trust by the Corporation. If the Acceleration Event is completed at the time specified therein (as the same may be extended in accordance with applicable law), the exercise will be deemed to be unconditional and the aggregate Price will be applied to the purchase of shares, which shall be deemed to occur immediately prior to the completion of the Acceleration Event. If the Acceleration Event is not completed at the time specified therein (as the same may be extended in accordance with applicable law), the exercise notice and the aggregate exercise price will be returned to the optionee. The Board may make such other modifications to the Option Plan in order to facilitate the conditional exercise and participation by optionees in the Acceleration Event as may be necessary or advisable. If the Acceleration Event is not completed within the time specified therein (as the same may be extended in accordance with applicable law), the options that vested pursuant to this provision will be reinstated as unvested options and the original terms applicable to such options will apply.

If any optionee who is a service provider shall cease to be eligible for any reason (whether or not for cause) the optionee may, but only within the period of ninety days (unless such period is extended by the board of directors or the Committee, as applicable, and approval is obtained from the stock exchange on which the shares of the Corporation trade), or thirty days if the optionee is an Investor Relations Person (unless such period is extended by the board of directors or the Committee, as applicable, and approval is obtained from the stock exchange on which the shares of the Corporation trade), next succeeding such cessation and in no event after the expiry date of the optionee's option, exercise the optionee's option.

In the event of the death of an optionee during the currency of the optionee's option, the option theretofore granted to the optionee shall be exercisable within, but only within, the period of one year next succeeding the optionee's death (unless such period is extended by the board of directors or the Committee, as applicable, and approval is obtained from the stock exchange on which the shares of the Corporation trade).

The aggregate number and kind of shares available under the Option Plan shall be appropriately adjusted in the event of a



reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or shares of the Corporation. The options granted under the Option Plan may contain such provisions as the board of directors, or Committee, as applicable, may determine with respect to adjustments to be made in the number and kind of shares covered by such options and in the option price in the event of any such change.

As used in this Option Plan summary:

**"Acceleration Event"** means:

- (a) the acquisition by any "offeror" (as defined in Part XX of the Securities Act (Ontario)) of beneficial ownership of more than 50% of the outstanding voting securities of the Corporation, by means of a take-over bid or otherwise;
- (b) any consolidation or merger of the Corporation in which the Corporation is not the continuing or surviving corporation or pursuant to which shares of the Corporation would be converted into cash, securities or other property, other than a merger of the Corporation in which shareholders immediately prior to the merger have the same proportionate ownership of stock of the surviving corporation immediately after the merger;
- (c) any sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation; or
- (d) the approval by the shareholders of the Corporation of any plan of liquidation or dissolution of the Corporation.

**"Affiliate"** means, with respect to any person, any entity that is an affiliate for the purposes of NI 45-106.

**"Applicable Withholding Taxes"** means any and all taxes and other source deductions or other amounts which the Corporation or any of its Affiliates is required by law to withhold from any amounts to be paid or credited hereunder.

**"Board"** means the board of directors of the Corporation.

**"Code"** means the U.S. Internal Revenue Code of 1986, as amended.

**"Consultant"** means "consultant" as defined in NI 45-106.

**"Exchange"** means the Canadian Securities Exchange or, if the shares are not then listed on the Canadian Securities Exchange, such other principal market on which the shares are then listed and posted for trading.

**"Exchanged Share"** means a security that is exchanged for a share in an Acceleration Event.

**"Exchanged Share Price"** means the product of the share to Exchanged Share ratio multiplied by the five day volume weighted average price of the Exchanged Shares on an exchange for the period ending one day prior to the effective time of the Acceleration Event, or, in the case of Exchanged Shares that are not listed or quoted for trading, the fair value of those Exchanged Shares, as determined by the Board, in its sole discretion, as of the day immediately preceding the effective time of the Acceleration Event.

**"Fair Market Value"** means with respect to a share, as of any date, the closing price of the shares on the Exchange on the last trading day immediately preceding the applicable date or, if the shares are not then readily tradable on an established securities market, the fair market value of such shares as determined by the Board (by the reasonable application of a reasonable valuation method) and consistent with the principles of Code Sections 409A, 422 and 424 in the case of an option granted to or held by a U.S. Taxpayer.

**"In-The-Money Amount"** means: (a) in the case of an Acceleration Event in which the holders of shares will receive only cash consideration, the difference between the Price of an option and the cash consideration paid per share pursuant to that Acceleration Event; (b) in the case of an Acceleration Event in which the holders of shares will receive Exchanged Shares, the difference between the Price of an option and the Exchanged Share Price; or (c) in the case of an Acceleration Event in which the holders of shares will receive cash consideration and Exchanged Shares per share, the difference between the Price of an option and the sum of the cash consideration paid per share plus the Exchanged Share Price.

**"Investor Relations Person"** means a person retained to provide Investor Relations Activities (as defined herein or in Exchange policies).

**"NI 45-106"** means National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time.

**"related entity"** has the meaning given to it in NI 45-106.

**"related person"** has the meaning given to it in NI 45-106.

**"U.S. Taxpayer"** means any optionee who is a United States citizen or United States resident alien as defined for purposes of Section 7701(b)(1)(A) of the Code or for whom an option is otherwise subject to taxation under the Code; provided, that an optionee shall be a U.S. Taxpayer solely with respect to those affected options.

### **Summary of RSU Plan**

The RSU Plan is for the benefit of Employees, Directors and Officers of the Corporation and any of its Subsidiaries and Affiliates, and for persons retained as Consultants to the Corporation or Management Company Employees, as may be determined by the Committee (each, an **"RSU Eligible Person"**). The RSUs will be settled through the issuance of Shares. The purpose of the RSU Plan is to allow for certain discretionary awards as an incentive for selected RSU Eligible Persons related to the achievement of long-term financial and strategic objectives of the Corporation and the resulting increases in shareholder value. The RSU Plan is intended to promote a greater alignment of interests between the shareholders of the Corporation and the selected eligible persons by providing an opportunity to participate in increases in the value of the Corporation. The RSU Plan permits the Committee to grant awards of RSUs to RSU Eligible Persons (**"Participants"**), upon such vesting conditions dates as the Committee may determine. The RSU Plan is administered by the Committee.

The maximum number of Shares issuable under the RSU Plan shall be such number of Common Shares, when combined with all other Shares subject to grants made under the Corporation's other share compensation arrangements (pre-existing or otherwise, and including the Option Plan) (the **"Other Share Compensation Arrangements"**), as is equal to 20% of the aggregate number of Common Shares issued and outstanding from time to time. Any specific limitations under the policies of the Stock Exchange that apply in any circumstance applicable to the Corporation shall be deemed to form part of the maximum number of Shares available for issuance under the RSU Plan, including to any class or classes of Participant or any single Participant.

In the event of a Change of Control, all unvested Restricted Share Units outstanding shall automatically and immediately vest on the date of such Change of Control. Upon a Change of Control, Participants shall not be treated any more favourably than shareholders of the Corporation with respect to the consideration that the Participants would be entitled to receive for their Shares.

A Qualifying Participant may elect to defer to receive all or any part of their Shares following the Vesting Date until a Deferred Payment Date.

Subject to any vesting restrictions, RSUs will be settled by way of the issuance of Shares from treasury on a one-for-one basis as soon as practicable following the relevant Vesting Date or Deferred Payment Date, if applicable, or as otherwise may be determined by the Committee, unless otherwise provided under the RSU Plan.

Except by a will or by the laws of descent and distribution, RSUs are not assignable or transferable.

Subject to the Committee determining otherwise, in the event of:

- (a) the death of a Participant, any unvested Restricted Share Units held by such Participant will automatically vest on the date of death of such Participant and the Shares underlying all Restricted Share Units held by such Participant will be issued to the Participant's estate as soon as reasonably practical thereafter; or
- (b) the Disability of a Participant (as may be determined in accordance with the policies, if any, or general practices of the Corporation or any Subsidiary), any unvested Restricted Share Units held by such Participant will automatically vest on the date on which the Participant is determined to be totally disabled and the Shares underlying the Restricted Share Units held will be issued to the Participant as soon as reasonably practical thereafter,

however in no event shall the Vesting Date of any such Restricted Share Units be extended beyond the date which is twelve months following the death of Disability of the Participant, as applicable.

Subject to the Board determining otherwise, in the event of Retirement of a Participant, any unvested Restricted Share Units held by such Participant will automatically vest on the date of Retirement and the Shares underlying such Restricted Share Units will be issued to the Participant as soon as reasonably practical thereafter, provided however in no event shall the Vesting Date of any such Restricted Share Units be extended beyond the date which is twelve months following the Retirement of the Participant.

Subject to the Committee determining otherwise, in the event of Termination Without Cause of a Participant, any unvested Restricted Share Units will vest in accordance with their normal vesting schedule, if any, unless otherwise stipulated in the Participant's Grant Agreement, provided however in no event shall the Vesting Date of any such Restricted Share Units be

extended beyond the date which is twelve months following the Termination Without Cause of the Participant.

In the event of Termination With Cause or the Resignation of a Participant, all of the Participant's Restricted Share Units that have not yet vested shall become void and the Participant shall have no entitlement and will forfeit any rights to any issuance of Shares under this Plan with respect to the unvested Restricted Share Units, except as may otherwise be stipulated in the Participant's Grant Agreement or as may otherwise be determined by the Committee in its sole and absolute discretion, provided however in no event shall the Vesting Date of any such Restricted Share Units be extended beyond the date which is twelve months following the Termination With Cause or the Resignation of the Participant, as applicable. Restricted Share Units that have vested but that are subject to a Deferred Payment Date shall be issued forthwith following the Termination with Cause or the Resignation of the Participant.

The Committee may from time to time in its sole discretion, and without shareholder approval, but subject to any applicable Stock Exchange polices or rules, modify and change the provisions of this Plan and any Grant Agreement, in connection with (without limitation):

- (a) amendments of a housekeeping nature;
- (b) the addition or changes to any vesting provisions of an RSU;
- (c) changes to the termination provisions of an RSU or the RSU Plan; and
- (d) amendments to reflect changes to applicable securities or tax laws.

However, other than the foregoing, any amendment to the RSU Plan which would:

- (a) increase the number of Shares or percentage of Shares issuable under the RSU Plan;
- (b) permit RSUs to be transferred other than for normal estate settlement purposes;
- (c) remove or exceed any specified insider participation limits;
- (d) materially modify the eligibility requirements for participation in the RSU Plan; or
- (e) modify the amending provisions of the RSU Plan,

shall be subject to the receipt of applicable shareholder and regulatory approvals.

As used in this RSU Plan summary:

“**Act**” means the *Business Corporations Act* (Ontario), or its successor, as amended, from time to time.

“**Affiliate**” means any company that is an affiliate of the Corporation as defined in National Instrument 45-106 – *Prospectus Exemptions*, as may be amended from time to time.

“**Associate**” with any person or company, is as defined in the Securities Act, as may be amended from time to time.

“**Board**” means the board of directors of the Corporation, or any committee of the board of directors to which the duties of the board of directors hereunder are delegated.

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

- (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its Affiliates and another corporation or other entity, as a result of which the holders of Shares immediately prior to the completion of the transaction hold less than 50% of the outstanding shares of the successor corporation immediately after completion of the transaction;
- (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets, rights or properties of the Corporation and its Subsidiaries on a consolidated basis to any other person or entity, other than transactions among the Corporation and its Subsidiaries;
- (iii) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;
- (iv) any person, entity or group of persons or entities acting jointly or in concert (the “**Acquiror**”) acquires, or acquires control (including, without limitation, the power to vote or direct the voting) of, voting securities of the Corporation which, when added to the voting securities owned of record

or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or Associates and/or Affiliates of the Acquiror to cast or direct the casting of 50% or more of the votes attached to all of the Corporation's outstanding voting securities which may be cast to elect Directors of the Corporation or the successor corporation (regardless of whether a meeting has been called to elect Directors);

- (v) as a result of or in connection with: (A) a contested election of Directors; or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its Affiliates and another corporation or other entity (a "**Transaction**"), fewer than 50% of the Directors of the Corporation are persons who were Directors of the Corporation immediately prior to such Transaction; or
- (vi) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.

For the purposes of the foregoing definition of Change of Control, "**voting securities**" means Shares and any other shares entitled to vote for the election of Directors and shall include any security, whether or not issued by the Corporation, which are not shares entitled to vote for the election of Directors but are convertible into or exchangeable for shares which are entitled to vote for the election of Directors, including any options or rights to purchase such shares or securities.

"**Committee**" means the Board if the Board so determines in accordance with the RSU Plan, any other committee of Directors of the Corporation authorized to administer the RSU Plan from time to time.

"**Corporation**" means Captor Capital Corp. and includes any successor corporation thereof.

"**Consultant**" means, in relation to the Corporation, an individual or a Consultant Company, other than an Employee, Director or Officer of the Corporation, that:

- (i) is engaged to provide on a continuous bona fide basis, consulting, technical, management or other services to the Corporation or to an Affiliate of the Corporation, other than services provided in relation to a distribution;
- (ii) provides the services under a written contract between the Corporation or the Affiliate and the individual or the Consultant Company; and
- (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or an Affiliate of the Corporation.

"**Consultant Company**" means for an individual Consultant, a company or partnership of which the individual is an employee, shareholder or partner.

"**CSE**" means the Canadian Securities Exchange.

"**Deferred Payment Date**" for a Participant means the date after the Vesting Date which is either (A) the earlier of (i) the last date to which the Participant has elected to defer receipt of Shares in accordance with Section 3.3 of the RSU Plan; and (ii) the date of the Participant's Retirement, Resignation, Termination with Cause or Termination Without Cause or a Change of Control of the Corporation, or (B) such other date as may be determined by the Committee.

"**Director**" means a director of the Corporation or any of its Subsidiaries.

"**Disability**" means where the Participant: (i) is to a substantial degree unable, due to illness, disease, affliction, mental or physical disability or similar cause, to fulfill his or her obligations as an officer or employee of the Corporation either for any consecutive 12 month period or for any period of 18 months (whether or not consecutive) in any consecutive 24 month period; or (ii) is declared by a court of competent jurisdiction to be mentally incompetent or incapable of managing his affairs.

"**Employee**" means an individual who is a bona fide employee of the Corporation or of any Subsidiary of the Corporation and includes a bona fide permanent part-time employee of the Corporation or any Subsidiary of the Corporation.

"**Grant Agreement**" means an agreement between the Corporation and a Participant substantially in the form set out as Schedule "A" to the RSU Plan, as amended by the Committee from time to time.

“**Insider**” has the meaning given to such term in the Securities Act.

“**Management Company Employee**” means an individual who is a bona fide employee of a company providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation.

“**Market Price**” as at any date in respect of the Shares shall be the closing price of the Shares on the CSE or, if the Shares are not listed on the CSE, on the principal stock exchange on which such Shares are traded, on the trading day immediately preceding the applicable date. In the event that the Shares are not then listed and posted for trading on a stock exchange, the Market Price shall be the fair market value of such Shares as determined by the Committee in its sole discretion.

“**Officer**” means a senior officer of the Corporation or any of its Subsidiaries.

“**Participant**” means an Employee, Director or Officer of the Corporation or any of its Subsidiaries or Affiliates, or any Consultant or Management Company Employee to whom Restricted Share Units are granted hereunder unless otherwise determined by the Committee, and, except in relation to a Consultant Corporation, includes a company that is wholly-owned by such persons.

“**Plan**” means this Restricted Share Unit Plan, as may be amended from time to time.

“**Qualifying Participant**” means a Participant (i) who is a resident of Canada for the purposes of the Income Tax Act (Canada) or (ii) who is designated as a Qualifying Participant in the Participant’s Grant Agreement, provided that the Participant is not a U.S. Taxpayer.

“**Resignation**” means with respect to a Participant who is:

- (i) an Officer or Employee, the cessation of employment as a result of resignation;
  - (ii) a Director, the cessation of service on the board of directors as a result of either resignation or failure to be nominated or re-elected at a meeting of shareholders; or
  - (iii) a Consultant, the cessation of the provision of consulting services as a result of resignation,
- in each case with respect to the Corporation or any of its Subsidiaries or Affiliates, and other than as a result of Retirement.

“**Restricted Share Unit**” or “RSU” means a unit credited by means of an entry on the books of the Corporation to a Participant, representing the right to receive one Share (subject to adjustments) issued from treasury.

“**Restricted Share Unit Award**” means an award of Restricted Share Units under the RSU Plan to a Participant.

“**Retirement**” means the Participant ceasing to be an Employee, Officer, Consultant or Director (whether as a result of a determination not to stand for re-election or otherwise) of the Corporation or any of its Subsidiaries or Affiliates in accordance with the retirement policies of the Corporation or any of its Subsidiaries or Affiliates, if any, or such other time as the Corporation may agree with the Participant.

“**Securities Act**” means the Securities Act, R.S.O. 1990, Chapter S.5, as amended from time to time.

“**Shares**” means the common shares in the capital of the Corporation.

“**Stock Exchange**” means the CSE, or if the Shares are not listed on the CSE, such other stock exchange on which the Shares are listed, or if the Shares are not listed on any stock exchange, then on the over-the-counter market.

“**Subsidiary**” means a corporation which is a subsidiary of the Corporation defined under the Securities Act.

“**Termination With Cause**” means the termination of employment (as an Officer or Employee) of the Participant with cause by the Corporation or any of its Subsidiaries or Affiliates (and does not include Resignation or Retirement).

“**Termination Without Cause**” means the termination of employment (as an Officer or Employee) of the Participant without cause by the Corporation or any of its Subsidiaries or Affiliates (and does not include Resignation or Retirement) and, in the case of an Officer, includes the removal of or failure to reappoint the Participant as an Officer of the Corporation or any of its Subsidiaries or Affiliates.

“**U.S. Taxpayer**” means a Participant who is a U.S. citizen, U.S. permanent resident or U.S. tax resident or a Participant for whom a benefit under the RSU Plan would otherwise be subject to U.S. taxation under the U.S. Internal Revenue Code of 1986, as amended, and the rulings and regulations in effect thereunder.

“**Vesting Date**” means the date that a Restricted Share Unit is eligible for payment, as determined by the Committee in its sole discretion in accordance with the RSU Plan and as outlined in the Grant Agreement with the Participant.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Set out below is information as of March 31, 2024 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance. The only equity compensation plan or incentive award plan of the Corporation during fiscal 2024 are the Option Plan and the RSU Plan.

### Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options, warrants and rights as at March 31, 2024  (a)	Weighted average exercise price of outstanding options, warrants and rights as at March 31, 2024  (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) as at March 31, 2024  (c)
Equity Compensation Plans Approved by Securityholders	335,575 <sup>(1)</sup>	\$1.20	359,033 <sup>(2)</sup>
Equity Compensation Plans Not Approved by Securityholders	Nil	N/A	Nil

Notes:

- 1) Consisting of Options only.
- 2) The maximum number of Shares issuable under the RSU Plan is that number of Common Shares, when combined with all other Shares subject to grants made under the Corporation’s other share compensation arrangements (pre-existing or otherwise, and including the Option Plan) (the “Other Share Compensation Arrangements”), as is equal to 20% of the aggregate number of Common Shares issued and outstanding from time to time. As such, the maximum number of Shares issuable as of the date hereof is 694,608 Shares.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS TO THE CORPORATION

No individual who is, or previously was, a director, executive officer, employee, proposed nominee as a director of the Corporation, or any of its subsidiaries, or any of their associates, is indebted to the Corporation or any subsidiary of the Corporation as of the date of this Circular, or has indebtedness owing to another entity that is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries, or was so indebted at any time since the beginning of the financial year of the Corporation ended March 31, 2024.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Corporation (within the meaning of applicable securities laws), no nominee for election as a director and no associate or affiliate thereof, has or has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation’s last completed financial year, or in any proposed transaction, which has materially affected or would materially affect the Corporation or any of its subsidiaries.

## AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 *Audit Committees* (“NI 52-110”) requires the Corporation to disclose annually in its management information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

### Audit Committee Charter

The Corporation’s audit committee is governed by an audit committee charter, the text of which is attached as Schedule “A” to this Information Circular.

### Composition of the Audit Committee

The Corporation’s audit committee was comprised of, as of March 31, 2024 and as of the date of this Circular, John Zorbas, Kyle Appleby and Mark Klein. Mr. Appleby is “independent” within the mean of NI 52-110. Mr. Klein received consulting fees of more than \$75,000 during the year ended March 31, 2021, and is thus not considered to be independent under NI 52-110 during the period ended March 31, 2024. Mr. Zorbas is not independent as he is an executive officer.

In order for directors to be appointed to the audit committee, they must demonstrate that they have 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 Corporation’s financial statements. In this regard, the board has determined that each member of the audit committee meets these criteria as each of Messrs. Appleby, Klein and Zorbas are familiar with accounting principles, financial statements and financial reporting requirements as a result of their experience and education. Please refer to the chart in the “Particular of Matters to be Acted Upon - Election of Directors” section in this Information Circular.

### Pre-Approval Policies and Procedures

In the event the Corporation wishes to retain the services of the Corporation’s external auditors for tax compliance, tax advice or tax planning, the CFO of the Corporation shall consult with the chair of the audit committee, who shall have the authority to approve or disapprove on behalf of the audit committee, such non-audit services. All other permissible non-audit services shall be approved or disapproved by the audit committee as a whole.

### Audit Fees

The following chart summarizes the aggregate fees billed by the external auditors of the Corporation for professional services rendered to the Corporation during the fiscal years ended March 31, 2024 and March 31, 2023 for audit and non-audit related services:

Type of Work	Year Ended March 31, 2024 (\$)	Year Ended March 31, 2023 (\$)
Audit fees	162,000	153,500
Audit-related fees	21,500	11,500
Tax advisory fees	7,715	1,918
All other fees	3,670	11,420
Total	194,885	178,338

### Exemption

The Corporation is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Corporation, as a “venture issuer”, is not required to comply with Part 3 (*Composition of the Audit Committee*) (as the audit committee is not comprised of only independent directors) and Part 5 (*Reporting Obligations*) of NI 52-110.

## CORPORATE GOVERNANCE

National Policy 58-201 *Corporate Governance Guidelines* of the Canadian Securities Administrators sets out a series of guidelines for effective corporate governance (the “**Guidelines**”). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. National Instrument 58-101 *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators (“**NI 58-101**”) requires the disclosure by each listed corporation of its approach to corporate governance with reference to the Guidelines as it is recognized that the unique characteristics of individual corporations will result in varying degrees of compliance.

Set out below is a description of the Corporation’s approach to corporate governance in relation to the Guidelines.

### ***The Board of Directors***

NI 58-101 defines an “independent” director as under NI 52-110, which is a director who has no direct or indirect material relationship with the Corporation. A “material relationship” is, in turn, defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with such member’s independent judgment. The Board is currently comprised of six members, four of which the Board has determined are “independent” within the meaning of NI 58-101.

John Zorbas is President and CEO of the Corporation and is thus not considered to be independent under NI 52-110. Mr. Klein received consulting fees of more than \$75,000 during the year ended March 31, 2021, and is thus not considered to be independent under NI 52-110 during the year ended March 31, 2024.

Messrs. Appleby and Cobb are considered independent directors since they are independent of management and free from any material relationship with the Corporation. The basis for this determination is that such persons have not worked for the Corporation, received remuneration from the Corporation other than standard director’s compensation or had material contracts with or material interests in the Corporation which could interfere with his ability to act with a view to the best interests of the Corporation.

The Board believes that it functions independently of management. To enhance its ability to act independent of management, the Board may meet in the absence of members of management and the non-independent directors or may excuse such persons from all or a portion of any meeting where a potential conflict of interest arises or where otherwise appropriate.

### ***Directorships***

Certain of the directors of the Corporation are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

<b><u>Name of director</u></b>	<b><u>Other reporting issuer (or equivalent in a foreign jurisdiction)</u></b>
John Zorbas	URU Metals Ltd. (AIM), ZEB Nickel Corp. (TSX Venture), PowerTap Hydrogen Capital Corp. (Cboe)
Kyle Appleby	Tarku Resources Ltd. (TSX Venture), URU Metals Ltd. (AIM)
Mark Klein	Pacific Arc Resources Ltd. (TSX Venture)

### ***Orientation and Continuing Education***

While the Corporation currently has no formal orientation and education program for new Board members, sufficient information (such as recent annual reports, prospectuses, proxy solicitation materials, technical reports and various other operating, property and budget reports) is provided to any new Board member to ensure that new directors are familiarized with the Corporation’s business and the procedures of the Board. In addition, new directors are encouraged to visit and meet with management on a regular basis. The Corporation also encourages continuing education of its directors and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to the Corporation.



### ***Ethical Business Conduct***

The Board monitors the ethical conduct of the Corporation and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges.

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

### ***Nomination of Directors***

The full Board performs the functions of a nominating committee with responsibility for the appointment and assessment of directors. The Board believes that this is a practical approach at this stage of the Corporation's development and given the small size of the Board.

While there are no specific criteria for Board membership, the Corporation attempts to attract and maintain directors with business knowledge and a particular knowledge of mineral exploration and development or other areas (such as finance) which provide knowledge which would assist in guiding the officers of the Corporation. As such, nominations tend to be the result of recruitment efforts by management of the Corporation and discussions among the directors prior to the consideration of the Board as a whole.

### ***Compensation***

The full Board performs the functions of a compensation committee. The Board believes that this is a practical approach at this stage of the Corporation's development and given the small size of the Board.

The Board as a whole reviews on an annual basis the adequacy and form of compensation of directors to ensure that the compensation of the Board reflects the responsibilities, time commitments, and risks involved in being a responsible director. The directors of the Corporation receive annual fees for their service as directors, as well as additional fees for each meeting attended. All directors are also eligible to participate in the Option Plan.

In addition, the Board as a whole will review the compensation paid to the CEO of the Corporation and any other key executive officers of the Corporation. In reviewing such compensation, the Board evaluates the achievements of the executive officer against corporate goals and objectives, as well as overall corporate performance.

### ***Other Board Committees***

The Board currently has no committees other than the audit and compensation committees.

### ***Assessments***

The Board assesses, on an annual basis, the contributions of the Board as a whole and each of the individual directors, in order to determine whether each is functioning effectively.

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

Other than as disclosed in this Circular, no person who has been a director or executive officer of the Corporation at any time since the beginning of the last completed fiscal year or any associate of any such director or executive officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than eligibility to participate in the Option Plan.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Since the beginning of the last completed financial year and up to the date hereof, no director, executive officer or employee or former executive officer, director or employee of the Corporation or any of its subsidiaries has been indebted to the Corporation.

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

No informed person, director, executive officer, nominee for director, any person who beneficially owns, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding shares of the Corporation, nor any associated or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation.

### **OTHER BUSINESS**

Management of the Corporation knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if matters not now known to management should come before the Meeting, Common Shares represented by proxies solicited by management will be voted on each such matter in accordance with the best judgment of the nominees voting same.

### **REGISTRAR AND TRANSFER AGENT**

Capital Transfer Agency, at 390 Bay Street, Suite 920, Toronto, Ontario, is the registrar and transfer agent for the Corporation's Common Shares.

### **DIRECTORS' APPROVAL**

The contents and sending of this Circular have been approved by the directors of the Corporation. A copy of this Circular has been sent to each director, the auditors or the Corporation and each Shareholder entitled to notice of the meeting.

DATED at Toronto, Ontario as of the 13<sup>th</sup> day of September, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(signed) "John Zorbas"* \_\_\_\_\_

**SCHEDULE “A”**  
**CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

**1. PURPOSE**

The Audit Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Captor Capital Corp. (the “Corporation”) to assist the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting process and internal controls for the Corporation. The Committee’s primary duties and responsibilities are to:

- conduct such reviews and discussions with management and the external auditors relating to the audit and financial reporting as are deemed appropriate by the Committee;
- assess the integrity of internal controls and financial reporting procedures of the Corporation and ensure implementation of such controls and procedures
- ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel;
- review the quarterly and annual financial statements and management’s discussion and analysis of the Corporation’s financial position and operating results and report thereon to the Board for approval of same;
- select and monitor the independence and performance of the Corporation’s external auditors, including attending at private meetings with the external auditors and reviewing and approving all renewals or dismissals of the external auditors and their remuneration; and provide oversight to related party transactions entered into by the Corporation.

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the external auditors as well as any officer of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Corporation and has the authority to retain, at the expense of the Corporation, special legal, accounting, or other consultants or experts to assist in the performance of the Committee’s duties.

The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

In fulfilling its responsibilities, the Committee will carry out the specific duties set out in Part IV of this Charter.

**2. AUTHORITY OF THE AUDIT COMMITTEE**

The Committee shall have the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for advisors employed by the Committee; and
- (c) communicate directly with the internal and external auditors.

**3. COMPOSITION AND MEETINGS**

- (a) The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, those of the Ontario Securities Commission (“OSC”),

the Canadian Securities Exchange, the Business Corporations Act (Ontario) and all applicable securities regulatory authorities.

- (b) The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. The members of the Committee shall appoint from among themselves a member who shall serve as Chair.
- (c) A majority of the members of the Committee shall be “independent” and shall be “financially literate” (as each such term is defined in Multilateral Instrument 52-110).
- (d) The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements. A minimum of two and at least 50% of the members of the Committee present either in person or by telephone shall constitute a quorum.
- (e) If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the next business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.
- (f) If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
- (g) The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.
- (h) Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
- (i) The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
- (j) The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as the Committee may see fit, from time to time, to attend at meetings of the Committee.
- (k) Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation.

The Committee members will be elected annually at the first meeting of the Board following the annual general meeting of shareholders.

#### 4. RESPONSIBILITIES

##### (a) Financial Accounting and Reporting Process and Internal Controls

- (i) The Committee shall review the annual audited financial statements to satisfy itself that they are presented in accordance with applicable International Financial Reporting Standards (“IFRS”) and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review the interim financial statements. With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the external auditors as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.
- (ii) The Committee shall review any internal control reports prepared by management and the evaluation of such report by the external auditors, together with management’s response.
- (iii) The Committee shall be satisfied that adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements, management’s discussion and analysis and interim earnings press releases, and periodically assess the adequacy of these procedures.
- (iv) The Committee shall review management’s discussion and analysis relating to annual and interim financial statements and any other public disclosure documents, including interim earnings press releases, that are required to be reviewed by the Committee under any applicable laws before the Corporation publicly discloses this information.
- (v) The Committee shall meet no less frequently than annually with the external auditors and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee, Chief Financial Officer or, in the absence of a Chief Financial Officer, the officer of the Corporation in charge of financial matters, deem appropriate.
- (vi) The Committee shall inquire of management and the external auditors about significant risks or exposures, both internal and external, to which the Corporation may be subject, and assess the steps management has taken to minimize such risks.
- (vii) The Committee shall review the post-audit or management letter containing the recommendations of the external auditors and management’s response and subsequent follow-up to any identified weaknesses.
- (viii) The Committee shall ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel.
- (ix) The Committee shall establish procedures for:
  - (A) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
  - (B) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- (x) The Committee shall provide oversight to related party transactions entered into by the Corporation.

## 5. **INDEPENDENT AUDITORS**

- (a) The Committee shall recommend to the Board the external auditors to be nominated, shall set the compensation for the external auditors, provide oversight of the external auditors and shall ensure that the external auditors report directly to the Committee.
- (b) The Committee shall be directly responsible for overseeing the work of the external auditors, including the resolution of disagreements between management and the external auditors regarding financial reporting.
- (c) The Committee shall pre-approve all audit and non-audit services not prohibited by law to be provided by the external auditors in accordance with this Charter.
- (d) The Committee shall monitor and assess the relationship between management and the external auditors and monitor, support and assure the independence and objectivity of the external auditors.
- (e) The Committee shall review the external auditors' audit plan, including the scope, procedures and timing of the audit.
- (f) The Committee shall review the results of the annual audit with the external auditors, including matters related to the conduct of the audit.
- (g) The Committee shall obtain timely reports from the external auditors describing critical accounting policies and practices, alternative treatments of information within IFRS that were discussed with management, their ramifications, and the external auditors' preferred treatment and material written communications between the Corporation and the external auditors.
- (h) The Committee shall review fees paid by the Corporation to the external auditors and other professionals in respect of audit and non-audit services on an annual basis.
- (i) The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Corporation.
- (j) The Committee shall monitor and assess the relationship between management and the external auditors and monitor and support the independence and objectivity of the external auditors.

### Other Responsibilities

The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.

### **Procedures for Receipt of Complaints and Submissions Relating to Accounting Matters**

- The Corporation shall inform employees on the Corporation's intranet, if there is one, or via a newsletter or e-mail that is disseminated to all employees at least annually, of the officer (the "Complaints Officer") designated from time to time by the Committee to whom complaints and submissions can be made regarding accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters.
- The Complaints Officer shall be informed that any complaints or submissions so received must be kept confidential and that the identity of employees making complaints or submissions shall be kept confidential and shall only be communicated to the Committee or the Chair of the Committee.
- The Complaints Officer shall be informed that he or she must report to the Committee as frequently as such Complaints Officer deems appropriate, but in any event no less frequently than on a quarterly basis prior to the quarterly meeting of the Committee called to approve interim and annual financial

statements of the Corporation.

- Upon receipt of a report from the Complaints Officer, the Committee shall discuss the report and take such steps as the Committee may deem appropriate.
- The Complaints Officer shall retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.

#### Procedures for Approval of Non-Audit Services

6. The Corporation's external auditors shall be prohibited from performing for the Corporation the following categories of non-audit services:
  - (a) bookkeeping or other services related to the Corporation's accounting records or financial statements;
  - (b) financial information systems design and implementation;
  - (c) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
  - (d) actuarial services;
  - (e) internal audit outsourcing services;
  - (f) management functions;
  - (g) human resources;
  - (h) broker or dealer, investment adviser or investment banking services;
  - (i) legal services;
  - (j) expert services unrelated to the audit; and
  - (k) any other service that the Canadian Public Accountability Board determines is impermissible.
7. In the event that the Corporation wishes to retain the services of the Corporation's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation shall consult with the Chair of the Committee, who shall have the authority to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.
8. The Chief Financial Officer of the Corporation shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee no less frequently than on a quarterly basis.