

**RAPID DOSE THERAPEUTICS CORP.**

1121 Walkers Line, Unit 3A  
Burlington, Ontario L7N 2G4

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that an Annual General and Special Meeting of the shareholders of Rapid Dose Therapeutics Corp. (the “**Company**”) will be held on August 28, 2024, at 1121 Walkers Line, Unit 3A, Burlington, Ontario L7N 2G4 at 10:30 a.m. (Toronto time) for the following purposes (the “**Meeting**”):

1. to receive the audited consolidated financial statements of the Company for the year ended February 29, 2024 and the auditors’ report thereon;
2. to elect each of the directors for the ensuing year;
3. to appoint auditors for the ensuing year and to authorize the directors to fix the auditors’ remuneration;
4. to consider and, if thought fit, pass a special resolution, as more particularly set forth in the accompanying management information circular, approving amendments to the constating documents of the Company to allow the Company to consolidate its issued and outstanding Common Shares on a one (1) for up to ten (10) basis such that up to every ten (10) issued and outstanding pre-consolidation Common Shares are consolidated into one (1) post-consolidation Common Share; and
5. to transact such further and other business as may properly be brought before the meeting or any adjournment thereof.

The Board of Directors has fixed July 17, 2024 as the record date for the determination of shareholders entitled to notice of, and to vote at, the Meeting and any adjournment thereof.

Accompanying this Notice of Meeting are the following documents: a form of proxy, a management information circular, a return card, and a return envelope.

**A shareholder who is unable to attend the Meeting in person and who wishes to ensure that such shareholder’s shares will be voted at the Meeting is requested to complete, date and execute the enclosed form of proxy and deliver it by facsimile, by hand or by mail in accordance with the instructions set out in the form of proxy and in the management information circular.**

Dated this 26<sup>th</sup> day of July, 2024.

**BY ORDER OF THE BOARD**

*“Mark Upsdell”*

Mark Upsdell  
Director and Chief Executive Officer

**RAPID DOSE THERAPEUTICS CORP.**

1121 Walkers Line, Unit 3A  
Burlington, Ontario L7N 2G4

**MANAGEMENT INFORMATION CIRCULAR**

**For the Annual General and Special Meeting of Shareholders to be held on August 28, 2024**

**GENERAL PROXY INFORMATION**

**Solicitation of Proxies**

The information contained in this management information circular (the “**Circular**”) is furnished to the shareholders (“**Shareholders**”) of the common shares (the “**Common Shares**”) of **RAPID DOSE THERAPEUTICS CORP.** (the “**Company**” or “**RDT**”) in connection with the solicitation by management of the Company of proxies to be voted at the annual general and special meeting of the Shareholders (the “**Meeting**”) to be held at 1121 Walkers Line, Unit 3A, Burlington, Ontario L7N 2G4 at 10:30 a.m. (Toronto time) for the purposes set forth in the accompanying Notice of Annual General and Special Meeting of Shareholders (the “**Notice of Meeting**”) and at any adjournment(s) thereof. Unless otherwise stated the information provided in this Circular is provided as of July 26, 2024.

**The solicitation of proxies is made on behalf of the management of the Company.** Such solicitation will be made primarily by mail, but proxies may be solicited personally or by telephone or email by directors (“**Directors**”) and officers of the Company, who will not be remunerated therefore. The costs incurred in the preparation and mailing of the form of proxy, Notice of Meeting and this Circular will be borne by the Company. The cost of the solicitation will be borne by the Company.

The Board of Directors of the Company (the “**Board**”) has fixed the close of business on July 17, 2024 as the record date, being the date for the determination of the registered Shareholders entitled to receive notice of, and to vote at, the Meeting (the “**Record Date**”).

**Appointment of Proxyholders**

The persons named in the enclosed form of proxy are Directors and/or officers of the Company. **A Shareholder has the right to appoint, as proxyholder or alternate proxyholder, a person, persons or a company (who need not be a Shareholder) to represent such Shareholder at the Meeting, other than any of the persons designated in the enclosed form of proxy, and may do so either by inserting the name of his chosen nominee in the space provided for that purpose on the form and striking out the other names on the form, or by completing another proper form of proxy.**

**Deposit of Proxy**

An appointment of a proxyholder or alternate proxyholders, by resolution of the Directors duly passed, **WILL NOT BE VALID FOR THE MEETING OR ANY ADJOURNMENT THEREOF UNLESS IT IS DEPOSITED WITH THE COMPANY’S TRANSFER AGENT, CAPITAL TRANSFER AGENCY ULC, 390 BAY STREET, SUITE 920, TORONTO, ONTARIO M5H 2Y2, NOT LATER THAN 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND STATUTORY HOLIDAYS) BEFORE THE MEETING TIME (WHICH MEETING TIME IS 10:30 a.m. ON AUGUST 28, 2024) OR ANY ADJOURNMENT THEREOF**, or deposited with the Chairman of the Meeting or any adjournment thereof prior to the commencement thereof. A return envelope has been included with the material for the Meeting.

**Revocation of Proxies**

A Shareholder who has given a proxy may revoke the proxy:

- (a) by depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing:
  - (i) with Capital Transfer Agency ULC, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof at which the proxy is to be used;
  - (ii) at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used;
  - (iii) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof;  
or
- (b) 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.

### **Exercise of Discretion**

A Shareholder forwarding the enclosed form of proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the Shareholder specifies a choice with respect to any matter to be acted upon, the securities will be voted accordingly by the proxy. If the Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The shares represented by the proxy submitted by a Shareholder will be voted or withheld from voting in accordance with the instructions, if any, of the Shareholder on any ballot that may be called for.

If a Shareholder appoints a RDT representative named in the form of proxy and specifies voting instructions, such shares will be voted, or withheld from voting, accordingly. If such Shareholder does not specify how they want to vote their shares, their shares will be voted for such matters.

**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 and with respect to other matters which may properly come before the Meeting.** As of the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting. However, if any such amendments, variations or other matters which are not now known to the management of the Company should properly come before the Meeting, the shares represented by the proxies hereby solicited will be voted thereon in accordance with the best judgment of the person or persons voting such proxies.

### **Non-Registered Holders**

Only registered holders of Common Shares or the persons they appoint as their proxies are permitted to vote at the Meeting. Many Shareholders are "non-registered" Shareholders ("**Non-Registered Shareholders**") because the shares they own are not registered in their names but are instead either (i) registered in the name of an intermediary (the "**Intermediary**") that the Non-Registered Shareholder deals with in respect of the Common Shares, such as, among others, brokerage firms, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Circular and the enclosed form of proxy (collectively the "**Meeting Materials**") to Intermediaries and clearing agencies for onward distribution to Non-Registered Shareholders of Common Shares.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the meeting materials to Non-Registered Shareholders. A Non-Registered Shareholder who has not waived the right to receive the Meeting Materials will either be given:

- (a) a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service company**, in accordance with the directions of the Intermediary and which will constitute voting instructions which the Intermediary must follow; or
- (b) a form of proxy **which has already been signed by the Intermediary** (typically a facsimile signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. This form of proxy does not require the Intermediary to sign when submitting the proxy. In this case the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and **deposit it with the Company, c/o Capital Transfer Agency ULC, 390 Bay Street, Suite 920, Toronto, Ontario M5H 2Y2.**

In either case, the purpose of these procedures is to permit the Non-Registered Shareholder to direct the voting of the shares of the Company the Non-Registered Shareholder beneficially owns. Should a Non-Registered Shareholder wish to attend and vote at the Meeting in person, (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the form of proxy and insert his or her name in the space provided for the purpose on the voting instructions form and return it in accordance with the directions of the Intermediary. The Company has elected to pay for the delivery of the Meeting Materials to objecting Non-Registered Shareholders.

**The Non-Registered Shareholder should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instructions form is to be delivered.**

A Non-Registered Shareholder may revoke a form of proxy or voting instructions form given to an Intermediary by contacting the Intermediary through which the Non-Registered Shareholder's Common Shares are held and following the instructions of the Intermediary respecting the revocation of proxies. In order to ensure that an Intermediary acts upon a revocation of a proxy form or voting instruction form, the written notice should be received by the Intermediary well in advance of the Meeting.

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

These Meeting Materials are being sent to both registered and non-registered owners of the securities. If you are a Non-Registered Shareholder who does not object to the Company knowing who you are, the Company may send these materials directly to you, and your name and address and information about your holdings of securities would, in such case, have been obtained in accordance with National Instrument 54-101 from the intermediary holding such securities on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding such securities on your behalf) would assume responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions or form of proxy delivered to you.

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

Other than as disclosed elsewhere in this Circular, none of the Directors or executive officers of the Company, no proposed nominee for election as a Director of the Company, none of the persons who have been Directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons 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.

## VOTING SHARES AND PRINCIPAL HOLDERS

The Company is authorized to issue an unlimited number of Common Shares without nominal or par value. As of July 26, 2024, the Company has issued and outstanding 124,636,166 fully paid and non-assessable Common Shares. All of the outstanding Common Shares are entitled to be voted at the Meeting and, unless otherwise stated herein, each resolution identified in the accompanying Notice of Meeting will be an ordinary resolution requiring for its approval a majority of the votes in respect of the resolution.

The record date for the Meeting is July 17, 2024. Accordingly, each holder of Common Shares is entitled to one vote for each Common Share shown as registered in such holder's name on the list of Shareholders prepared as of the close of business on such record date with respect to all matters to be voted on at the Meeting.

The By-Laws of the Company provide that two persons present and each entitled to vote at the Meeting shall constitute a quorum for the Meeting.

To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, directly or indirectly, or exercises control over, Common Shares carrying 10% or more of the voting rights attached to the outstanding Common Shares of the Company except as follows:

Name	Number of Shares <sup>(1)</sup>	Approximate Percentage of Total Issued
Mark Upsdell	12,553,825	10.1%

**Notes:**

(1) Not including incentive stock options and warrants entitling the holder to acquire Common Shares.

## DIRECTOR AND EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### *Narrative Discussion*

##### General

The Board has established a Governance and Compensation Committee to oversee the Corporation's compensation practices and to make compensation-related decisions and recommendations to the Board regarding compensation (including long-term incentive in the form of stock options) to be granted to RDT's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting in respect of their own compensation.

Broadly speaking, the Corporation's compensation objectives are to provide appropriate incentives for past performance; align and motivate future performance towards corporate objectives within the framework of accepted risk tolerances; and to maximize retention. The compensation for executive officers and any changes to the Corporation's compensation policies are considered by the Governance and Compensation Committee and approved by the Board following a recommendation from the Governance and Compensation Committee. When determining the compensation of its officers, the Governance and Compensation Committee will consider: (i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Shareholders of the Company; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

The compensation philosophy of the Board is aimed at attracting and retaining quality and experienced people which is critical to RDT's success and may include a "pay-for-performance" element which supports RDT's commitment to delivering strong performance for its Shareholders. RDT believes that adequate and

appropriate compensation for its executive officers is key to ensuring the continuity of high-quality management who will provide strong leadership and stewardship.

The Board must also address the risks associated with the overall executive compensation program. The Board is currently responsible for assessing the risks which may arise from RDT's compensation policies and practices.

Executive compensation is comprised of three elements: (i) base fees (may be consulting fees) or salary, (ii) short-term incentive compensation (discretionary cash bonuses) and (iii) long-term incentive compensation (stock options).

At the present time, the compensation program is designed to reward the following objectives:

1. The ongoing day-to-day commitment of RDT's executive team in managing RDT's affairs, fulfilling their job responsibilities, and advancing its business plan through its development stages. This objective is covered by the base fees paid for the services of the three Named Executive Officers; see "*Employment, consulting and management agreements*" for further details; and
2. The commitment to long-term growth and increased shareholder value as determined through RDT's share price. This objective is covered through the awarding of stock options under the Stock Option Plan (as defined below).

The Board considers a variety of factors when determining both compensation policies and programs and individual compensation levels. These factors include the long-term interests of the Company and its Shareholders, overall financial and operating performance of the Company and the assessment of each officer's individual performance, contribution towards meeting corporate objectives, responsibilities, length of service and levels of compensation provided by industry competitors. Overall, the executive compensation program aims to offer to the executive officers total compensation packages that are comparable to and competitive with executive compensation packages for executive officers with similar talents, qualifications and responsibilities at corporations with similar financial, operating and industrial characteristics. While no formal benchmarking for the purpose of establishing compensation levels relative to any predetermined level and no formal comparing of the compensation to a specific peer group of corporations is done, the Board is expected annually to make itself knowledgeable regarding compensation packages for executive officers with similar talents and to have considered compensation payable to executive officers at similarly placed companies.

No Named Executive Officer (as defined below) is permitted to purchase financial instruments that are designed to hedge or offset a decrease in market value of the Company's securities granted as compensation.

#### Compensation Process

The Board relies on the knowledge and experience of its Governance and Compensation Committee members to set appropriate levels of compensation for executive officers and to make recommendations to the Board for approval. Neither the Company nor the Board currently has any contractual arrangement with any executive compensation consultant. The Board reviews and makes determinations with respect to executive officer compensation on an *ad hoc* basis. When determining executive officers' compensation, the Governance and Compensation Committee reviews the performance of executive officers based on their achievements during the preceding year.

The Board uses all the data available to it to ensure that the Company is maintaining a level of compensation that is both commensurate with the size of the Company and sufficient to retain key personnel. In reviewing comparative data, the Board does not engage in benchmarking for the purpose of establishing compensation levels relative to any predetermined level and does not compare its compensation to a specific peer group of corporations. In the Board's view, external data provides insight into external competitiveness, but it is not an appropriate single basis for establishing compensation levels. External data is considered, along with an

assessment of individual performance and experience, the Company's business strategy, and general economic considerations.

### Elements of Compensation

#### Base Fees or Salaries

Base fees or salaries are compensation for ongoing job responsibilities and reflect the level of skills, experience, expertise and capabilities demonstrated by the executive officers. Executive officers and the Board meet to determine what both sides consider to be fair and reasonable base fees or salaries. The Board must give final approval of these compensation arrangements. When considering the base compensation to be paid to executive officers, the Board must consider the risk that, if the compensation is not adequate, it might result in a high turnover rate of executive officers which could be detrimental to the Company. As an early stage enterprise, however, it is necessary to strike a balance in this regard so that the compensation is not so high that the Company is unable to meet its obligations to its executive officers over the long term which could result in loss of that officer and the corporate knowledge and expertise that officer represents.

#### Short-Term Incentive Compensation

Executive officers are also eligible to receive discretionary bonuses as determined by the Board based on each officer's responsibilities, the achievement of individual and corporate objectives, and the Company's financial performance. Cash bonuses are intended to reward executive officers for meeting or exceeding individual and corporate performance objectives set by the Board. It is the expectation that the Board periodically reviews this element of the Company's compensation program to determine the impact, including the benefits and risks that offering short-term incentives to its executives, would have on the overall performance of RDT and its management team.

#### Long-Term Incentive Compensation

Stock options are an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Company's shares over a stated period of time, and are intended to reinforce commitment to long-term growth and shareholder value. Stock options reward overall corporate performance as measured through the price of the Company's shares and enables executives to acquire and maintain an ownership position in the Company.

The Board believes that executive officers should have a stake in the future growth of the Company and that their interests should be aligned with those of Shareholders. The use of stock options is designed to motivate and retain the Company's personnel in order to achieve the results that ultimately benefit Shareholders. Executive officers who have an ability to directly impact the Company's business are eligible to participate in the Stock Option Plan (as defined below) for key employees, officers, directors and consultants.

Stock options may be awarded by the Board to executive officers at the commencement of their employment and/or annually, to encourage the work of these officers towards an increase of the value of the Common Shares and, from time to time, in order to reward an exceptional accomplishment.

In reviewing option grants, the Board gives consideration to the number of stock options already held by the executive officer, the level of responsibility assumed by the executive officer as well as his or her individual contribution to the success of the Company.

#### Benefits and Perquisites

In general, the Company intends to provide a specific benefit or perquisite when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. The limited perquisites the Company provides to its executives may include a parking allowance or reimbursement for their out-of-pocket costs. Historical payments of such benefits and perquisites are set out, respectively, in the Summary Compensation Table below.

## Stock Option Plan

On August 27, 2009, Shareholders of the Company approved a rolling stock option plan (the “**Stock Option Plan**”). Under the Stock Option Plan, the aggregate number of Common Shares reserved for issuance shall not exceed ten percent (10%) of the total number of issued Common Shares at the time an option is granted. The Stock Option Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and service providers of the Company and its subsidiaries, options to purchase Common Shares.

It is a requirement of Canadian Securities Exchange policies that issuers who have “rolling” stock option plans seek shareholder approval every three years in order to continue to grant awards under such plans. Shareholders of the Company last reapproved the Stock Option Plan at the Company’s annual meeting held on August 1, 2023.

The following is a summary of the material terms of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan:

- **Number of Shares Reserved.** The number of Common Shares which may be issued pursuant to options granted under the Stock Option Plan may not exceed 10% of the issued and outstanding Common Shares at the time of the applicable grant of options.
- **Maximum Term of Options.** The term of any options granted under the Stock Option Plan is fixed by the Board and may not exceed five (5) years from the date of grant.
- **Non-Assignable.** The options are non-assignable and non-transferable.
- **Exercise Price.** The exercise price of options granted under the Stock Option Plan is to be determined by the Board at the date of the grant, provided that such exercise price is not less than the market price of the Common Shares at the date of the grant, subject to any minimum price permitted by any stock exchange on which the Common Shares may be listed at the date of the applicable grant.
- **Amendment.** The Board may amend the Stock Option Plan at any time and from time to time provided that no amendment may be made to any outstanding options without the consent of the optionee; however, an amendment may not be made without any necessary stock exchange or shareholder approvals.
- **Vesting.** The Board may determine vesting terms, if any; provided, however, in the absence of any particular vesting determination, the options will vest immediately unless the optionee is employed in investor relations activities, in which event the options will vest in stages over a period of 12 months with one quarter of such options vesting in each 3-month period.
- **Termination.** Unless otherwise determined by the Board, any options granted under the Stock Option Plan will terminate at the earlier of (a) the expiry of the original term of the option or (b) the applicable date in respect of whichever one of the following applies: (i) 6 months after the optionee dies or (ii) 30 days after the optionee ceases to be an officer, director or employee of the Company or one of its subsidiaries, or (iii) for consultants, in accordance with the terms of the applicable consulting agreement, as the case may be.
- **Administration.** The Stock Option Plan is administered by the Board.
- **Board Discretion.** The Stock Option Plan provides that, generally, the number of shares subject to each option, the exercise price, the expiry time, the extent to which such option is exercisable,



including vesting schedules, and other terms and conditions relating to such options will be determined by the Board.

The Board believes that the Stock Option Plan offers participants a competitive and stable level of equity-based compensation. The Board has determined that the Stock Option Plan is in the best interests of the Company and its Shareholders in order for the Company to continue to secure and retain key personnel and to provide additional motivation to such persons to exert their best efforts on behalf of the Company.

A maximum of 12,463,616 Common Shares are currently reserved for issuance under the Stock Option Plan. As at the date hereof, options to purchase 11,550,000 Common Shares under the Stock Option Plan are outstanding and unexercised and 913,616 are available for future grants.

*Named Executive Officers*

Securities legislation requires the disclosure of compensation received by each “Named Executive Officer” of the Company for the three most recently completed financial years. “Named Executive Officer” is defined by the legislation to mean (i) each of the Chief Executive Officer and the Chief Financial Officer of the Company, despite the amount of compensation received by that individual; (ii) each of the Company’s three (3) most highly compensated executive officers, other than the Chief Executive Officer and the Chief Financial Officer, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation exceeds \$150,000; and (iii) any additional individual for whom disclosure would have been provided under (ii) but for the fact that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year of the Company.

At the end of the Company’s most recently completed financial year, the Company had three Named Executive Officers: Mark Upsdell, the President and Chief Executive Officer, Jason Lewis, the Senior Vice-President Business Development and Doug Hyland, Interim Chief Financial Officer.

**Summary Compensation Table**

The summary compensation table below shows detailed information regarding the compensation awarded to each director and Named Executive Officer for services rendered in all capacities during the two most recently completed financial years.

**TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES**

Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$) <sup>(3)</sup>	Total Compensation (\$)
Mark Upsdell, President, CEO and Director <sup>(1)</sup>	2024	150,000	Nil	Nil	Nil	Nil	150,000
	2023	150,000	Nil	Nil	Nil	5,597	155,597
Doug Hyland, Interim CFO	2024	150,000	Nil	Nil	Nil	7,750	157,750
	2023	150,000	Nil	Nil	Nil	219,379	369,379
Jason Lewis, SVP, Business Development and Director <sup>(2)</sup>	2024	150,000	Nil	Nil	Nil	Nil	150,000
	2023	150,000	Nil	Nil	Nil	5,597	155,597

Peter Thilo Hasler, Director	2024 2023	22,178 Nil	Nil Nil	Nil Nil	Nil Nil	25,235 119,862	47,413 119,862
John McKimm, Director	2024 2023	Nil N/A	Nil N/A	Nil N/A	Nil N/A	17,485 N/A	17,485 N/A
Marisa Cornacchia, Director	2024 2023	Nil N/A	Nil N/A	Nil N/A	Nil N/A	17,485 N/A	17,485 N/A
Christine Hrudka, Director	2024 2023	Nil N/A	Nil N/A	Nil N/A	Nil N/A	17,485 N/A	17,485 N/A
Angela O'Leary, Director	2024 2023	Nil N/A	Nil N/A	Nil N/A	Nil N/A	17,485 N/A	17,485 N/A

**Notes:**

- (1) Mark Upsdell was not compensated for his role as a director.
- (2) Jason Lewis was not compensated for his role as a director in 2023. Mr. Lewis resigned as a director on April 14, 2023.
- (3) Stock option compensation – value of the options was calculated using the Black-Scholes option pricing model.

### Stock Options and Other Compensation Securities

Below is a summary of all option-based awards issued to each director and Named Executive Officer in the two most recently completed financial years for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

**TABLE OF COMPENSATION SECURITIES GRANTED**

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Mark Upsdell, President, CEO and Director <sup>(1)</sup>	Options	1,500,000	April 1, 2024	\$0.18	\$0.18	\$0.175	April 1, 2026
Doug Hyland, Interim CFO <sup>(2)</sup>	Options	1,100,000	April 1, 2024	\$0.18	\$0.18	\$0.175	April 1, 2026
Jason Lewis, SVP, Business Development and Director <sup>(3)</sup>	Options	1,450,000	April 1, 2024	\$0.18	\$0.18	\$0.175	April 1, 2026
Peter Thilo Hasler, Director <sup>(4)</sup>	Options	500,000	February 23, 2024	\$0.15	\$0.15	\$0.175	February 23, 2026
Peter Thilo Hasler, Director <sup>(4)</sup>	Options	300,000	April 1, 2024	\$0.18	\$0.18	\$0.175	April 1, 2026

John McKimm, Director <sup>(5)</sup>	Options	500,000	February 23, 2024	\$0.15	\$0.15	\$0.175	February 23, 2026
Marisa Cornacchia, Director <sup>(6)</sup>	Options	500,000	February 23, 2024	\$0.15	\$0.15	\$0.175	February 23, 2026
Christine Hrudka, Director <sup>(7)</sup>	Options	500,000	February 23, 2024	\$0.15	\$0.15	\$0.175	February 23, 2026
Angela O'Leary, Director <sup>(8)</sup>	Options	500,000	February 23, 2024	\$0.15	\$0.15	\$0.175	February 23, 2026

**Notes:**

- (1) On February 29, 2024, Mark Upsdell held 11,929,247 Common Shares and no stock options.
- (2) On February 29, 2024, Doug Hyland held 1,500,000 Common Shares and no stock options.
- (3) On February 29, 2024, Jason Lewis held 10,000,000 Common Shares and no stock options.
- (4) On February 29, 2024, Peter Thilo Hasler held 138,612 Common Shares and 500,000 stock options.
- (5) On February 29, 2024, John McKimm held 490,101 Common Shares and 500,000 stock options.
- (6) On February 29, 2024, Marisa Cornacchia held Nil Common Shares and 500,000 stock options.
- (7) On February 29, 2024, Christine Hrudka held 45,836 Common Shares and 500,000 stock options.
- (8) On February 29, 2024, Angela O'Leary held 294,627 Common Shares and 500,000 stock options.

***Exercise of Stock Options***

No compensation securities (including stock options) were exercised by any directors or Named Executive Officers during the two most recently completed financial years.

**Employment, consulting and management agreements**

The Company has entered into an employment agreement with Mark Upsdell, Chief Executive Officer, for services whereby he is compensated at the rate of \$300,000 annually. If such agreement is terminated without Cause (as defined therein) or for Good Reason (as defined therein) which includes a change of control of the Company, Mr. Upsdell would be entitled to his then base salary and benefits continuance and continued vesting of equity, for twenty-four months.

The Company has entered into an employment agreement with Doug Hyland, interim Chief Financial Officer, for services whereby he is compensated at the rate of \$180,000 annually. If such agreement is terminated without Cause (as defined therein) or for Good Reason (as defined therein), Mr. Hyland would be entitled to his then base salary and benefits continuance and continued vesting of equity, for twenty-four months. If Mr. Hyland is required to terminate his employment due to a change in control, restructuring or other corporate transaction requiring a replacement CFO, then Mr. Hyland would be entitled to twenty-four months of compensation from the date of termination.

The Company has entered into an employment agreement with Jason Lewis, SVP Business Development, for services whereby he is compensated at the rate of \$240,000 annually. If such agreement is terminated without Cause (as defined therein) or for Good Reason (as defined therein) which includes a change of control of the Company, Mr. Lewis would be entitled to his then base salary or contract base salary, whichever is greater, and benefits continuance and continued vesting of equity, for twenty-four months.

During the Covid-19 pandemic, each of the aforementioned executives agreed to temporarily waive a portion of the compensation they were entitled to receive under their respective employment agreements in order to conserve the Company's cash resources and provide for stability of its operations throughout the period covered by the pandemic. Accordingly, the base salary for each executive was set at \$150,000 annually; and the Company did not provide for the difference between the base salary entitlements in the employment agreements and \$150,000 in the Company's accounts as a payroll accrual in fiscal years 2021 through 2024. Depending on the Company's financial position going forward, the aforementioned executives' base salary

may return to the amount entitled under their respective employment agreements, subject to approval of the Board of Directors on recommendation of the Compensation and Governance committee.

During the fiscal year ended February 29, 2024, the Named Executive Officers agreed to waive compensation in excess of \$150,000 in order to conserve cash for operating purposes.

Management functions of the Company are not, to any substantial degree, performed by any person other than the directors or executive officers of the Company.

The directors manage or supervise the management of the business and affairs of RDT. The executive officers perform the day-to-day management functions of RDT.

RDT has no written management agreements, consultant agreements, or arrangements with any other persons to provide any of these functions.

### **Pension Plan Benefits**

No pension plan benefits have been instituted by the Company and none are proposed at this time. It is not anticipated that the Company will in the foreseeable future have any pension plans that provide for payments of benefits at, following or in connection with retirement or provide for retirement or deferred compensation plans for the Named Executive Officers or directors of the Company.

### **Director Compensation**

Director compensation matters are dealt with by the Board as a whole. Each Director who is independent will be paid a director fee of \$10,000 per quarter, which fee may be paid in shares of the Company at the end of each quarter at the then current market price.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The table below sets forth information as at February 29, 2024 with respect to the Company’s compensation plans under which equity securities of the Company are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	2,500,000 options 9,050,000 options	\$0.15 \$0.18	731,772 options
Equity compensation plans not approved by security holders	N/A	N/A	N/A

## PARTICULARS OF MATTERS TO BE ACTED UPON

### ELECTION OF DIRECTORS

The articles of the Company provide that the Board shall consist of a minimum of one (1) and a maximum of ten (10) Directors, the number of which may be fixed from time to time by a resolution of the Board. The Company currently has six (6) Directors, and the number of Directors of the Company proposed to be elected at the Meeting is six (6). The term of office of the current six (6) Directors will end at the conclusion of the Meeting. Unless a Director’s office is earlier vacated in accordance with the provisions the *Business Corporations Act* (Ontario) (the “**BCA**”), each Director will hold office until the conclusion of the next annual meeting of the Company or, if no Director is then elected, until a successor is elected.

The following persons are proposed to be nominated for election to the Board: Mark Upsdell, Peter Thilo Hasler, John McKimm, Marisa Cornacchia, Christine Hrudka and Angela O’Leary. The following table sets out the names of the nominees for election as Directors, each nominee’s principal occupation, business or employment, the period of time during which each has been a Director of the Company, the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date hereof, based upon information furnished by them to management of the Company.

Name and Residence	Present Principal Occupation	Current Position with RDT	Director Since	No. of Common Shares Beneficially Owned or Controlled or Directed <sup>(3)</sup>
Mark Upsdell <sup>(1)</sup> Ontario, Canada	Director and CEO of RDT since May 3, 2017; prior thereto Director, Global Strategy and Planning of Cisco Systems, Inc. (a technology conglomerate) from 2011 to April 2017	Director and CEO	May 3, 2017	12,553,825
Peter Thilo Hasler <sup>(1)(2)</sup> Munich, Germany	Founder and analyst at Sphene Capital GmbH. Managing Director at Sphene Advisory GmbH.	Director	August 13, 2020	138,613
John McKimm <sup>(1)</sup> Ontario, Canada	President, Chief Executive Officer and Chief Information Officer since 2012 of Smart Employee Benefits Inc., a former public company (formerly TSXV: SEB).	Director	April 14, 2023	689,177
Marisa Cornacchia <sup>(2)</sup> Ontario, Canada	Currently working as a registered nurse for Extencare Canada, Workplace Medical Corporation and Green Mountain Health Alliance. Previously a registered nurse at Hospital for Sick Children for 28 years. Currently sits as a board member for the Canadian Institute for the Relief of Pain and Disability.	Director	August 1, 2023	Nil
Christine Hrudka <sup>(2)</sup> Saskatchewan, Canada	Pharmacist entrepreneur owning Shoppers Drug Marts for 20 years and now independent pharmacies in Saskatchewan. Past Chair of the Canadian Pharmacist Association and currently serves on the board as the Saskatchewan representative. Currently Board Chair of Aither Ingredient Corporation and a director of Avricore Health Inc. (TSXV: AVCR). Previously a director and Governance and Compensation Chair of Smart Employee Benefits Inc.	Director	August 1, 2023	65,456
Angela O'Leary <sup>(1)(2)</sup> Ontario, Canada	CEO of a medical supply company. Owner of a staffing company. Previously ascended to the CEO position in multiple companies.	Director	February 5, 2024	560,563

**Notes:**

- (1) Member of the Audit Committee
- (2) Independent director/nominee of the Board
- (3) As of the date of this Circular

## *Biographies*

The following are brief biographies of each of the nominees for director:

### *Mark Upsdell, Director and Chief Executive Officer*

Mr. Upsdell has over 25 years of experience in management, sales and strategic planning. Mr. Upsdell is the Founder and has been a director and the CEO of RDT since its incorporation on May 3<sup>rd</sup>, 2017. Prior to that, Mr. Upsdell was Director, Global Strategy and Planning of Cisco Systems, Inc. (a high-tech conglomerate) from 2011 to April 2017. Mr. Upsdell was also formerly a sales executive for Hewlett-Packard (a technology company) from January 2000 to November 2011. Mr. Upsdell graduated from Conestoga College in 1982 with a diploma in Business Administration and graduated in 1983 from McMaster University with a M.Sc. in Computer Science.

### *Peter Thilo Hasler, Director*

Mr. Hasler has been an equity analyst for more than 25 years. He is the founder and analyst of Sphene Capital GmbH, which offers high-quality equity and bond research to selected companies. In 2015, he founded Sphaia advisory GmbH, which offers corporate finance and communications services to small- and medium-sized companies. He is a member of the board and lecturer of the DVFA and lecturer with several Munich universities on company valuation and financing as well as company valuation. He is the author of numerous essays and books on company valuation, corporate finance, capital investment and investor relations and regularly publishes columns in the financial media.

### *John McKimm, Director*

Mr. McKimm is currently the Chief Executive Officer of Smart Employee Benefits Inc. (formerly TSXV: SEB) and his experience spans over 35 years of serving as a director and an officer of many public and private companies, where he provided operations, investment banking, and corporate finance expertise. This experience covers a range of sectors, including financial services, healthcare, insurance, computer hardware, software and services, manufacturing, petrochemical, mining, oil and gas, food processing, telecom, waste management, biotechnology, and retail. He has personally identified, negotiated and executed more than 150 individual merger, acquisition and financing transactions, both as a principal and as an agent. Mr. McKimm possesses a deep knowledge in dealing with emerging and growth companies, specifically with respect to providing specialty services in government funding programs, strategic and financial restructurings, mergers and acquisitions, operational and financial restructuring and the arrangement of financings. Mr. McKimm's experience is global.

Mr. McKimm is a graduate of the University of New Brunswick with a Bachelor of Business Administration, and a graduate of the University of Western Ontario with a Masters of Business Administration and a Bachelor of Laws. Mr. McKimm also has a number of investment industry certifications and designations. He has published on select investment and financial restructuring topics.

### *Marisa Cornacchia, Director*

Ms. Cornacchia (RN, COHNC, DOHS, MBA, CRM) is a Registered Nurse with over two decades of experience in both Critical Care and Occupational Health nursing. Ms. Cornacchia also holds an MBA with a concentration in Project Management, and a Certification in Risk Management from The University of Toronto. As a staff RN at the Hospital for Sick Children for the past 28 years, Ms. Cornacchia maintains a dedicated role as a leader in the care of children and their families. Ms. Cornacchia is the recipient of the Robert Saulter Humanitarian Award for the Hospital.

Ms. Cornacchia has worked with several national employers in both private and public sectors to manage projects and develop health care strategies including rehabilitation and mental health programs for several organizations. Ms. Cornacchia has experience with clinic management and program design having lead a successful growth strategy for a national leader in primary care and chronic pain clinics. With two decades

of nursing experience combined with an MBA, Ms. Cornacchia provides both clinical and academic health care knowledge. Ms. Cornacchia has experience working with medical professionals and allied health care professionals to develop national programs with multi-disciplinary practices to manage acute care, chronic care, and mental health care. Ms. Cornacchia is currently affiliated with the Canadian Institute for Patient Safety, and The American Society for Healthcare Risk Management and sits on the board of directors for the Canadian Institute for the Relief of Pain and Disability.

*Christine Hrudka, Director*

Ms. Hrudka is a Canadian pharmacist, entrepreneur, leader, public speaker, and advocate for women in business. She owned chain and independent pharmacies, served as Chair of the Canadian Pharmacy Association, and has led the advancement of many critical topics provincially, nationally, and internationally. She is a board member of Pharmacy Association of Saskatchewan, the North American representative of the World Pharmacy Council, and an Ad-hoc member of the Minister Anand COVID-19 Supply Council. She is a director of Avricore Health Inc. (TSXV: AVCR) and previously also served as Director of Pharmapod, Director and committee member of Governance and Compensation, Smart Employee Benefits, Board chair of Aither Ingredient Corporation and Member-at-Large, University of Saskatchewan Senate. She has volunteered for many community boards such as SREDA, YWCA, United Way, and WESK. Ms. Hrudka holds a B.Sc. in Pharmacy (BSP) and a designation from the Institute of Corporate Directors, Designation (ICD.D) and is the proud recipient of the Woman Entrepreneur Award of Achievement.

*Angela O'Leary, Director*

Ms. O'Leary is CEO of a medical supply company. Under her stewardship, the company achieved remarkable success, particularly in the healthcare sector, with sales reaching into the hundreds of millions. This achievement demonstrates Ms. O'Leary's ability to propel growth and ensure profitability in highly competitive markets. Ms. O'Leary also owns a staffing company, which she is steering with a clear vision for growth and expansion. Ms. O'Leary has ascended to the CEO position in multiple companies which underscores her leadership, strategic thinking and experience with financial matters.

Ms. O'Leary is a distinguished leader in the Canadian business landscape, renowned for her entrepreneurial skill and strategic leadership. Her career is highlighted by the successful establishment and growth of several enterprises, which have significantly impacted various sectors and generated substantial revenues.

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

To the knowledge of the Company, other than as set forth below, no proposed director is, as at the date of this Circular, or has been, within 10 years before the date of this Circular a director, chief executive officer or chief financial officer of any company (including the Company) that:

(i) was subject to a cease trade order, other similar order, or an order that denied the relevant company access to any exemption under securities legislation, and which was in effect for a period of more than 30 consecutive days, that was issued while the proposed Director was acting in the capacity as director, chief executive officer or chief financial officer; or was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or



(iii) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

On August 19, 2020, as a result of the failure of the Company to file its audited financial statements for the year ended February 29, 2020 and related documents due to the Covid 19 pandemic and related issues, a cease trade order was issued by the Ontario Securities Commission (and other applicable securities regulatory authorities). Mark Upsdell was an executive officer and a director of the Company at that time. Following the filing of the Company's audited financial statements for the year ended February 29, 2020 and related documents, together with unaudited interim financial statements and related documents for the interim periods ended May 31, and August 31, 2020, the cease trade orders were revoked on November 18, 2020 by the Ontario Securities Commission (and other applicable securities regulatory authorities).

On June 29, 2021, at the request of the Company as a result of the pending failure of the Company to file its audited financial statements for the year ended February 28, 2021 by the prescribed deadline, a management cease trade order was issued by the Ontario Securities Commission as principal regulator, prohibiting trading by the Chief Executive Officer (Mark Upsdell) and by the interim Chief Financial Officer (Doug Hyland) of the Company in the Company's securities. Following the filing of the Company's audited financial statements for the year ended February 28, 2021 and related documents, together with unaudited interim financial statements and related documents for the interim period ended May 31, 2021, the management cease trade order was revoked following the receipt by the Ontario Securities Commission, as principal regulator, of the said financial statements and related documents.

On June 29, 2022, at the request of the Company as a result of the pending failure of the Company to file its audited financial statements for the year ended February 28, 2022 by the prescribed deadline, a management cease trade order was issued by the Ontario Securities Commission as principal regulator prohibiting trading by Mark Upsdell (Chief Executive Officer) and Doug Hyland (interim Chief Financial Officer) in the Company's securities.

On August 26, 2022, the Ontario Securities Commission revoked the aforementioned management cease trade order and issued a failure-to-file cease trade order against the Company for failure of the Company to file its audited financial statements for the year ended February 28, 2022, and its interim financial statements for the interim period ended May 31, 2022. Each of Mark Upsdell and Peter Thilo Hasler was a director of the Company at that time. Subsequently, on May 1, 2023, the Ontario Securities Commission revoked the failure-to-file cease trade order following the filing of the Company's audited financial statements for the year ended February 28, 2022 and related documents, unaudited interim financial statements and related documents for the interim periods ended May 31, 2022, August 31, 2022 and November 30, 2022, and revised management's discussion and analysis for the year ended February 28, 2022 and interim period ended November 30, 2022.

On May 9, 2022, the Ontario Securities Commission issued a management cease trade order in respect of the securities of Cansortium Inc. (CSE:TIUM) for its failure to file its annual financial statements and management's discussion and analysis for the year ended December 31, 2021. The company subsequently filed its annual financial statements and management's discussion and analysis for the year ended December 31, 2021 on June 15, 2022. Mr. McKimm was a director of Cansortium Inc. at the time of the order.

### **Penalties or Sanctions**

To the knowledge of the Company, no proposed director has:

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

- (ii) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, which would be likely to be considered important to a reasonable security holder making a decision about voting for the election of the director.

**Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of each of the currently proposed nominees set forth above, as Directors of the Company.**

#### **APPOINTMENT AND REMUNERATION OF AUDITORS**

SRCO Professional Corporation, Chartered Professional Accountants (“**SRCO**”), Richmond Hill, Ontario, is the current auditor of the Company and was first appointed as auditor of the Company by the Board on May 16, 2023.

**Management of the Company recommends that Shareholders vote in favour of re-appointing SRCO as auditor of the Company and to authorize the Directors to fix its remuneration. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the approval of the resolution to re-appoint SRCO and to authorize the Directors to fix its remuneration.**

#### **SHARE CONSOLIDATION**

##### *General*

As of the date of this Circular, the Company has 124,636,166 Common Shares issued and outstanding. The Board and management of the Company believe that it may be necessary to consolidate the number of Common Shares outstanding so as to enhance marketability for the Common Shares as well as increase the Company’s flexibility with respect to potential business transactions, including financings.

Pursuant to the OBCA, the Articles of the Company may be amended by special resolution to change the shares of any class or series, whether issued or unissued, into a different number of shares of the same class or series. Accordingly, at the Meeting, Shareholders will be asked to pass a special resolution to amend the Articles of the Company to consolidate the Company’s issued Common Shares without par value on the basis of one (1) new Common Share without par value for up to every ten (10) pre-consolidation Common Shares without par value (the “**Consolidation**”) or such lesser number of pre-Consolidation Common Shares, subject to Board, regulatory, and contractual approval, if any. Approval of the Consolidation by Shareholders at the Meeting does not necessarily mean that the Board will implement the Consolidation. Even if the Consolidation is approved by the Shareholders at the Meeting and accepted by the Canadian Securities Exchange, the Board will have the discretion to determine the consolidation ratio within the foregoing parameters or to not proceed with the Consolidation.

For clarity, the Board did not proceed with the share consolidation that was previously approved by Shareholders at last year’s annual meeting.

The Company currently has an unlimited number of authorized Common Shares and, on effecting the Consolidation, the Company will continue to have an unlimited number of authorized Common Shares. The ability to effect a Consolidation is subject to approval by special resolution of the Shareholders. The ability to effect a Consolidation requires Articles of Amendment reflecting the change and will become effective following Shareholder approval, and the sending of Articles of Amendment to the Director under the OBCA. The Consolidation is also subject to regulatory and possibly contractual approval.

In connection with the Consolidation, each stock option, warrant or other security of the Company that is exchangeable or convertible into pre-Consolidation Common Shares that has not been exercised, converted or cancelled prior to the effective date of implementation of the Consolidation will be adjusted pursuant to the terms thereof to reflect the Consolidation.

### *Elimination of Fractional Shares*

No fractional Common Shares will be issued as a result of the Consolidation. If, as a result of the Consolidation, a Shareholder would otherwise be entitled to a fraction of a post-Consolidation Common Share, the number of post-Consolidation Common Shares issuable to such Shareholder shall be rounded down to the nearest whole number.

### *Principal Effects of the Share Consolidation*

The Consolidation will affect all holders of Common Shares uniformly. Except for any variances attributable to fractional shares as described above, the change in the number of issued and outstanding Common Shares that will result from the Consolidation will cause no change in the capital attributable to the Common Shares and will not materially affect any Shareholder's percentage ownership in the Company, even though such ownership will be represented by a smaller number of Common Shares.

In addition, the Consolidation will not affect any Shareholder's proportionate voting rights. Each Common Share outstanding after the Consolidation will be entitled to one vote and will be fully paid and non-assessable. The principal effects of the Consolidation will be that the number of Common Shares issued and outstanding will be reduced from approximately 124,636,166 Common Shares as of the date of this Circular to approximately 12,463,616 Common Shares, assuming the Consolidation is put into effect on the basis of the maximum authorized ratio of ten (10) pre-Consolidation Common Shares for every one (1) post-Consolidation Common Share and there are no other changes to the Company's issued capital.

In general, the Consolidation will not be considered to result in a disposition of Common Shares by Shareholders for Canadian federal income tax purposes. The aggregate adjusted cost base to a Shareholder for such purposes of all Common Shares held by the Shareholder will not change as a result of the Consolidation; however, the Shareholder's adjusted cost base per Common Share will increase proportionately.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any Shareholder. It is not exhaustive of all federal income tax considerations. Accordingly, Shareholders should consult their own tax advisors having regard to their own particular circumstances.

### *Effect on Non-Registered Shareholders*

Non-registered shareholders holding their Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing the Consolidation than those that will be put in place by the Company for registered Shareholders. If you hold your Common Shares with such a bank, broker or other nominee and if you have questions in this regard, you are encouraged to contact your bank, broker or other nominee.

### *Effect on Share Certificates*

If the Consolidation is approved by Shareholders and implemented, registered Shareholders will be required to exchange their share certificates representing pre-Consolidation Common Shares for new share certificates representing post-Consolidation Common Shares. Following the effective date of the Consolidation, registered Shareholders will be sent a letter of transmittal from the Company's transfer agent, Capital Transfer Agency ULC, as soon as practicable after the effective date of the Consolidation. The letter of transmittal will contain instructions on how to surrender certificate(s) representing pre-Consolidation Common Shares to the transfer agent. The transfer agent will forward to each registered Shareholder who has sent the required documents a new share certificate representing the number of post-Consolidation Common Shares to which the Shareholder is entitled. Until surrendered, each share certificate representing pre-Consolidation Common Shares will be deemed for all purposes to represent the number of whole post-Consolidation Common Shares, to which the holder is entitled as a result of the Consolidation.

**SHAREHOLDERS SHOULD NOT DESTROY ANY SHARE CERTIFICATE(S) AND SHOULD NOT SUBMIT ANY CERTIFICATE(S) UNTIL REQUESTED TO DO SO.**

*No Dissent Rights*

Under the OBCA, Shareholders do not have dissent and appraisal rights with respect to the proposed Consolidation.

*Certain Risks associated with the Consolidation*

The effect of the Consolidation upon the market price of the Common Shares cannot be predicted with any certainty, and the history of similar share consolidations is varied. There can be no assurance that the total market capitalization of the Common Shares immediately following the Consolidation will be equal to or greater than the total market capitalization immediately before the Consolidation. In addition, there can be no assurance that the per-share market price of the Common Shares following the Consolidation will remain higher than the per-share market price immediately before the Consolidation or equal or exceed the direct arithmetical result of the Consolidation. In addition, a decline in the market price of the Common Shares after the Consolidation may result in a greater percentage decline than would occur in the absence of the Consolidation. Furthermore, the Consolidation may lead to an increase in the number of Shareholders who will hold “odd lots”; that is, a number of shares not evenly divisible into board lots (a board lot is either 100, 500 or 1,000 shares, depending on the price of the shares). The cost to Shareholders transferring an odd lot of Common Shares may be higher than the cost of transferring a “board lot”. Nonetheless, despite the risks and the potential increased cost to Shareholders in transferring odd lots of post-Consolidation Common Shares, the Board believes that the Consolidation is in the best interest of all Shareholders.

*Shareholder Resolution to Approve the Consolidation*

At the Meeting, therefore, Shareholders will be asked to consider and, if thought fit, to pass, with or without amendment, a special resolution in substantially the following form:

**“BE IT RESOLVED THAT:**

1. pursuant to Section 168(1)(h) of the *Business Corporations Act* (Ontario), the issued common shares in the capital of Rapid Dose Therapeutics Corp. (the “**Company**”) may be changed by the consolidation of the issued and outstanding common shares on a one (1) for ten (10) basis or such lesser number of pre-consolidation common shares, subject to regulatory, contractual and board of directors approval in its sole discretion and as may be accepted by Canadian Securities Exchange such that up to every ten (10) issued and outstanding pre-consolidation common shares are consolidated into one (1) post-consolidation common share (the “**Consolidation**”) and, in the event that, on the date that the Consolidation is effected, a shareholder is the registered holder of a number of common shares not divisible by the Consolidation ratio, then the number of post-Consolidation common shares held shall be rounded down to the nearest whole number and the fractional common share shall be eliminated;
2. any one director or officer of the Company is hereby authorized and directed for and on behalf of the Company to execute and send the Articles of Amendment to the Director under the *Business Corporations Act* (Ontario) to give effect to the Consolidation and otherwise to execute and deliver all such documents, instruments and writings and to do all such other acts and things as may be necessary or desirable in connection with the Consolidation; and
3. notwithstanding that this special resolution has been duly passed by the shareholders of the Company, the board of directors of the Company may, in its sole discretion, determine whether or not to proceed with the Consolidation and/or revoke this special resolution as it

relates to the Consolidation before it is acted upon without any further approval of the shareholders of the Company.”

**Unless otherwise directed, the persons named as management appointees, if named as proxy, intend to vote FOR this special resolution.** To be effective, the special resolution must be passed by a majority of not less than two-thirds (2/3) of the votes cast by the Shareholders who voted in person or by proxy at the Meeting. The Board and management of the Company recommend a vote FOR the special resolution to permit the Consolidation.

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

None of the Directors or executive officers of the Company, nor any proposed nominee for election as a Director of the Company, nor any associate or affiliate of such persons, are or have been indebted to the Company at any time since the beginning of the Company's last completed financial year.

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

For purposes of the following discussion, “Informed Person” means (a) a Director or executive officer of the Company; (b) a Director or executive officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than ten percent (10%) of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below, elsewhere herein or in the notes to the Company's financial statements for the financial year ended February 29, 2024, none of:

- (a) the Informed Persons of the Company;
- (b) a proposed nominee for election as a Director of the Company; or
- (c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Company or in any proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

#### **Loan from John McKimm**

On September 22, 2023, \$250,000 of the Company's secured debt that was initially due on July 5, 2023 was acquired by Madison Partners Corporation (the “**Madison Debt**”). Madison Partners Corporation agreed to extend the Madison Debt until September 22, 2024 and in exchange the Company agreed to (i) issue 1,250,000 warrants to Madison Partners Corporation, where each warrant is exercisable for one Common Share at a price of \$0.14, for a one year term and (ii) pay a loan fee of \$12,500 to Madison Partners Corporation which was paid in Common Shares at the end of the first calendar quarter following the closing date, with each such Common Share being issued at the closing market price of a Common Share on the Canadian Securities Exchange (“**CSE**”) on the last trading day immediately prior to the end of such calendar quarter.

John McKimm through his holding company, Madison Partners Corporation, has effectively loaned the principal amount of \$250,000 to the Company. This Madison Debt is secured by way of a general security agreement provided by the Company and matures on September 22, 2024 and has been guaranteed by Mark Upsdell.

Interest on this loan is 12.0% per annum, calculated monthly, compounded, accrued, added to the principal amount and payable quarterly in arrears on a calendar quarter basis until the loan is fully repaid. Interest was paid in Common Shares at the price per share equivalent to the closing market price of a Common Share on the CSE on the last trading day immediately preceding the end of the relevant interest payment date.

The aforementioned loan involved an Informed Person in that John McKimm is a Director of the Company.

### **Private Placement Financing (Convertible Notes and Warrants)**

During the period between July 21, 2023 and December 22, 2023, the Company completed four tranches of a private placement financing (the “**Financing**”) for aggregate gross proceeds of \$3,134,445, consisting of 3,134,445 units (the “**Units**”) at a price of \$1.00 per Unit. Each Unit consisted of \$1.00 principal amount of secured convertible notes (the “**Notes**”) and five (5) common share purchase warrants of the Company (the “**Warrants**”). Accordingly, the Company issued \$3,134,445 principal amount of Notes and 15,672,225 Warrants.

All Notes have a maturity date of November 30, 2025 and bear interest from their date of issue at 12.0% per annum, calculated monthly, accrued, added to principal and payable quarterly in arrears. Interest was paid in Common Shares at a price per share equal to the closing market price of the Common Shares on the CSE on the last trading day of each calendar quarter. A loan initiation fee of 5% was paid in Common Shares at the end of the first calendar quarter following the applicable closing date at a price per share equal to the closing market price of the Common Shares on the CSE on the last trading day of such calendar quarter.

The Notes are convertible, at the option of the holders at any time prior to maturity, into Common Shares at a conversion price of \$0.17 per Common Share. Each whole Warrant may be exercised for one Common Share at a price of \$0.14 per Common Share for the initial closing (the “**Floor Price**”). For subsequent tranches that closed under the Financing, the exercise price of the Warrants was the higher of the Floor Price and the closing market price of the Common Shares on the CSE on the last trading day immediately prior to such subsequent tranche closing. The Warrant term expires on November 30, 2025, notwithstanding the date on which the Warrants were issued.

The Company may prepay the Notes in certain circumstances. During the period from June 30, 2024 to December 31, 2024, the Company is entitled to prepay all or any portion of each of the Notes with a prepayment fee payable to each noteholder of 3% of the amount of the principal prepayment of the Note. There is no prepayment fee if the Notes are prepaid after December 31, 2024. The Notes are secured pursuant to a general security agreement issued by the Company in favour of the various noteholders.

The following Informed Persons participated in the Financing: Mark Upsdell, CEO and Director, in the amount of \$500,000; John McKimm, Director, through his holding company, Madison Partners Corporation, in the amount of \$346,371; Christine Hrudka, Director, in the amount of \$50,000; and Angela O’Leary, Director, in the amount of \$800,000.

### **Debt Settlement**

On January 15, 2024, the Company completed a debt settlement and issued an aggregate of 4,369,457 Common Shares, at a price of \$0.16 per share, in settlement of various payables to creditors in the aggregate amount of \$669,113. This debt settlement involved Informed Persons in that Peter Thilo Hasler, Director, was issued 138,613 Common Shares in settlement of \$22,178.

## **OTHER BUSINESS**

Management of the Company is not aware of any matter to come before the Meeting other than the matters referred to in the Notice of Meeting. If other matters come before the Meeting, it is the intention of the management designees named in the form of proxy to vote in respect of same in accordance with their best judgment in such matters.

## **CORPORATE GOVERNANCE PRACTICES**

### **Statement of Corporate Governance**

National Instrument 58-101: *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires the Company to disclose, on an annual basis, its approach to corporate governance with reference to the governance guidelines provided in National Policy 58-201: *Corporate Governance Guidelines* (“**NP 58-201**”).

The Company has reviewed its corporate governance practices under the guidelines contained in NP 58-201. The Company’s practices comply generally with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Company at its current state of development and therefore the Company’s governance practices do not reflect these particular guidelines. Set out below is a description of the Company’s corporate governance practices as required to be disclosed by NI 58-101.

### **Board of Directors**

As of the date of this Circular, the Board is comprised of six (6) directors. Each of Peter Thilo Hasler, Marisa Cornacchia, Christine Hrudka and Angela O’Leary is an independent director of the Company within the meaning of NI 58-101. Mark Upsdell is not independent by virtue of being the Chief Executive Officer of the Company. John McKimm is not independent since the pari passu agreement with the Note holders under the \$3,134,445 Financing provides Madison Partners Corporation, Mr. McKimm’s holding company, with a veto right to delay enforcement of the Notes against the Company.

### **Directorships**

None of the directors is currently a director of any other issuers that are reporting issuers (or the equivalent) in a jurisdiction in Canada or abroad, other than as set forth below.

Christine Hrudka is a director of Avicore Health Inc. (TSXV: AVCR).

Peter Thilo Hasler is a director of B-A-L Germany AG (VIE: BAL).

### **Orientation and Continuing Education**

Changes to the Board are infrequent so there is no need for a formal orientation program for directors. The Board does not provide formal continuing education for directors. Directors of RDT maintain the skill and knowledge necessary to meet their obligations as directors through a combination of their existing education, experience as businesspersons and managers, professional continuing education requirements, service as directors of other issuers and advice from RDT’s legal counsel, auditor and other advisers.

The Company does not offer a formal orientation and education program for new directors. The new directors familiarize themselves with the Company by speaking to other directors and by reading documents provided by the executive officers.

## **Ethical Business Conduct**

The Company has adopted a Code of Business Conduct and Ethics (the “**Code**”). The Code provides guidance on the conduct of the Company’s business and sets out the principles and procedures to be adhered to by the Company’s Directors, officers, employees and consultants.

Directors and officers of RDT are expected to disclose dealings in the industry in which RDT operates. They are also subject to the general obligation under corporate law to declare and fully disclose any conflict of interest, refrain from participating in any discussion and not vote on any material contract or transaction with RDT in which the applicable director or officer has an interest. Accordingly, any such related party contract or transaction would require approval of the directors who are independent of the contract or transaction or, if there is no director who is independent of the contract or transaction, shareholder approval or ratification.

The Board monitors the ethical conduct of the Company and its management and ensures that it complies with applicable legal and regulatory requirements.

## **Nomination of Directors**

RDT does not have a formal process or committee for proposing new nominees to the Board. New candidates for the Board are identified by the Board. Potential candidates for appointment to the Board are considered by the Board as a whole, in reliance on the recommendations, qualifications and experience of its members.

## **Compensation**

The Board has established a Governance and Compensation Committee to oversee the Corporation’s compensation practices and to make compensation-related decisions and recommendations to the Board regarding compensation (including long-term incentive in the form of stock options) to be granted to RDT’s executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting in respect of their own compensation.

The Board relies on the knowledge and experience of its Governance and Compensation Committee members to set appropriate levels of compensation for executive officers. Neither the Company nor the Board currently has any contractual arrangement with any executive compensation consultant. The Board reviews and makes determinations with respect to executive officer compensation on an *ad hoc* basis. When determining executive officers’ compensation, the Governance and Compensation Committee reviews the performance of executive officers based on their achievements during the preceding year.

The Board uses all the data available to it to ensure that the Company is maintaining a level of compensation that is both commensurate with the size of the Company and sufficient to retain key personnel. In reviewing comparative data, the Board does not engage in benchmarking for the purpose of establishing compensation levels relative to any predetermined level and does not compare its compensation to a specific peer group of corporations. In the Board’s view, external data provides insight into external competitiveness, but it is not an appropriate single basis for establishing compensation levels. External data is considered, along with an assessment of individual performance and experience, the Company’s business strategy, and general economic considerations.



## **Other Board Committees**

The standing committees of the Board are:

- 1) Governance and Compensation Committee, chaired by Christine Hrudka; and
- 2) Audit Committee, chaired by John McKimm.

## **Assessments**

The Board has responsibility for assessing the effectiveness of the Board as a whole, and the contribution of individual directors. Due to the small size of the Board, no formal process is in place.

The directors, the Board and its committees are assessed on an ongoing basis by reviewing their respective attendance and performance. The Board expects to establish a formal assessment process in the future.

## **AUDIT COMMITTEE**

### **Audit Committee Disclosure**

#### **Audit Committee**

The Audit Committee has a formal charter, the text of which is attached as Schedule “A” to this Circular. The Audit Committee charter sets out the mandate and responsibilities of the Audit Committee after careful consideration of National Instrument 52-101: *Audit Committees* (“**NI 52-110**”).

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

The Company is required to have an Audit Committee of not less than three (3) directors, a majority of whom are not executive officers, employees or control persons of the Company or of an affiliate of the Company. The four (4) existing members of the Audit Committee are Mark Upsdell, Angela O’Leary, Peter Thilo Hasler and John McKimm, none of whom is an executive officer, employee or control person of the Company or its affiliates, other than Mark Upsdell who is the President and CEO of the Company. As a result, the Company’s Audit Committee is in compliance with the requirements of NI 52-110. The Chair of the Audit Committee is John McKimm.

Peter Thilo Hasler and Angela O’Leary are considered independent pursuant to NI 52-110. Mark Upsdell is not independent because he is President and CEO of the Company. John McKimm is not independent since the *pari passu* agreement with the Note holders under the \$3,134,445 Financing provides Madison Partners Corporation, Mr. McKimm’s holding company, with a veto right to delay enforcement of the Notes against the Company.

#### **Education and Relevant Experience**

All four (4) Audit Committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements and are therefore considered “financially literate”.

Each Audit Committee member is a person with experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavour.

The following sets out the education and experience of each Audit Committee member relevant to the performance of his duties as a member of the Audit Committee:

*Mark Upsdell*

Mr. Upsdell has over 25 years of experience in management, sales and strategic planning. Mr. Upsdell has been the CEO of RDT since its incorporation on May 3, 2017. Prior to that, Mr. Upsdell was Director, Global Strategy and Planning of Cisco Systems, Inc. from 2011 to April 2017. Mr. Upsdell has a diploma in Business Administration from Conestoga College and Computer Science from McMaster University.

*Peter Thilo Hasler*

Mr. Hasler has been an equity analyst for over 25 years. Mr. Hasler is the founder and analyst of Sphene Capital GmbH, which offers high-quality equity and bond research to selected companies. In 2015, he founded Sphaia advisory GmbH, which offers corporate finance and communications services to small- and medium-sized companies. Mr. Hasler is a member of the board and lecturer of the DVFA and lecturer with several Munich universities on company valuation and financing. Mr. Hasler holds the Certified Financial Analyst designation in Germany and has a Master of Arts Economics from the University of Passau.

*John McKimm*

Mr. McKimm is currently the Chief Executive Officer of Smart Employee Benefits Inc. (formerly TSXV: SEB) and has over 35 years of experience serving as a director and an officer of many public and private companies, where he has provided operations, investment banking, and corporate finance expertise. Mr. McKimm was also previously a director of Consortium Inc. (CSE: TIUM) and a member of its audit committee. Mr. McKimm holds a Bachelor of Business Administration and graduated from the University of Western Ontario with a Masters of Business Administration and a Bachelor of Laws. Mr. McKimm also holds a number of investment industry certifications and designations.

*Angela O'Leary*

Ms. O'Leary is CEO of a medical supply company. Under her stewardship, the company achieved remarkable success, particularly in the healthcare sector, with sales reaching into the hundreds of millions. This achievement demonstrates Ms. O'Leary's ability to propel growth and ensure profitability in highly competitive markets. Ms. O'Leary also owns a staffing company, which she is steering with a clear vision for growth and expansion. Ms. O'Leary has ascended to the CEO position in multiple companies which underscores her leadership, strategic thinking and experience with financial matters.

### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Board has not refused to adopt a recommendation of the Audit Committee with respect to the nomination or compensation of the external auditors.

### **Reliance on Certain Exemptions**

As the Company is a "venture issuer" as defined in NI 52-110, the Company is relying on the exemption set out in Section 6.1 of NI 52-110 which exempts venture issuers from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*). At no time since the commencement of its most recently completed financial year ended February 29, 2024, has RDT relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), Section 6.1.1(4) of NI 52-110 (*Circumstances Affecting the Business or Operations of the Venture Issuer*), Section 6.1.1(5) of NI 52-110 (*Events Outside Control of Members*) or Section 6.1.1(6) of NI 52-110 (*Death, Incapacity or Resignations*). However, prior to the resignation of Jason Lewis as a director and member of the Audit Committee on April 14, 2023 and the corresponding appointment of John McKimm as a director on April 14, 2023 to fill the vacancy on the Board and the Audit Committee, the Company was in technical breach of the composition requirements for an audit committee of a venture issuer as a result of having two members of the Audit Committee that were executive officers or employees of the Company.

The Company has not relied on an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions*).

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

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee studies each situation on a case-by-case basis.

### **External Auditor Service Fees**

The Audit Committee has reviewed the nature and amount of the non-audit services provided by the Company's external auditors to the Company to ensure auditor independence. The aggregate fees billed by the Company's external auditors in each of the last two fiscal years are as follows:

<b>Financial Year Ended</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees<sup>(4)</sup></b>	<b>Total</b>
February 29, 2024	\$130,000	\$10,000	\$10,000	Nil	\$150,000
February 28, 2023	\$130,000	Nil	Nil	\$19,871	\$149,971

**Notes:**

- (1) Audit fees represent the aggregate fees billed for audit fees.
- (2) Audit related fees represents the aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of RDT's financial statements and are not reported under "Audit Fees".
- (3) Tax fees represent the aggregate fees billed for professional services for tax compliance, tax advice, and tax planning.
- (4) All other fees represent the aggregate fees billed for products and services other than the services reported under the other columns of this chart.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The Company's annual management's discussion and analysis and a copy of this Circular is available to anyone, upon request, from the Company at 1121 Walkers Line, Unit 3A, Burlington, Ontario L7N 2G4. All financial information in respect of the Company is provided in the comparative financial statements and management's discussion and analysis for its recently completed financial year.

### **APPROVAL OF THE BOARD OF DIRECTORS**

The contents and the mailing of the Circular to Shareholders entitled to receive notice of the Meeting, to each Director and to the auditor of the Company have been approved by the Board.

DATED the 26<sup>th</sup> day of July, 2024.

### **BY ORDER OF THE BOARD OF DIRECTORS**

*"Mark Upsdell"*

Mark Upsdell  
Director and Chief Executive Officer

**SCHEDULE "A"**

**TO 2024 MANAGEMENT INFORMATION CIRCULAR OF  
RAPID DOSE THERAPEUTICS CORP.**

**AUDIT COMMITTEE CHARTER**

See attached.

## **AUDIT COMMITTEE CHARTER**

### **NAME**

There shall be a committee of the board of directors (the “**Board**”) of Rapid Dose Therapeutics Corp. (the “**Corporation**”) known as the Audit Committee.

### **PURPOSE OF AUDIT COMMITTEE**

The Audit Committee has been established to assist the Board in fulfilling its oversight responsibilities with respect to the following principal areas:

- (a) the Corporation’s external audit function; including the qualifications, independence, appointment and oversight of the work of the external auditors;
- (b) the Corporation’s accounting and financial reporting requirements;
- (c) the Corporation’s reporting of financial information to the public;
- (d) the Corporation’s compliance with law and regulatory requirements;
- (e) the Corporation’s risks and risk management policies;
- (f) the Corporation’s system of internal controls and management information systems; and
- (g) such other functions as are delegated to it by the Board.

Specifically, with respect to the Corporation’s external audit function, the Audit Committee assists the Board in fulfilling its oversight responsibilities relating to: the quality and integrity of the Corporation’s financial statements; the independent auditors’ qualifications; and the performance of the Corporation’s independent auditors.

### **MEMBERSHIP**

The Audit Committee shall consist of as many members as the Board shall determine but, in any event not fewer than three directors appointed by the Board. Each member of the Audit Committee shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director of the Corporation. The Board may fill a vacancy that occurs in the Audit Committee at any time.

### **CHAIR AND SECRETARY**

The Chair of the Audit Committee shall be designated by the Board. If the Chair is not present at a meeting of the Audit Committee, the members of the Audit Committee may designate an interim Chair for the meeting by majority vote of the members present. The Secretary of the Audit Committee shall be such member of the Audit Committee as may be designate by majority vote of the Audit Committee from time to time, provided that if the Secretary is not present, the Chair of the meeting may appoint a secretary for the meeting with the consent of the Audit Committee members who are present. A member of the Audit Committee may be designated as the liaison member to report on the deliberations of the Audit Committees of affiliated companies (if applicable).

## **MEETINGS**

The Chair of the Audit Committee, in consultation with the Audit Committee members, shall determine the schedule and frequency of the Audit Committee meetings provided that the Audit Committee will meet at least four times in each fiscal year and at least once in every fiscal quarter. The Audit Committee shall have the authority to convene additional meetings as circumstances require.

Notice of every meeting shall be given to the external and internal auditors of the Corporation, and meetings shall be convened whenever requested by the external auditors or any member of the Audit Committee in accordance with applicable law. The Audit Committee shall meet separately and periodically with management, legal counsel and the external auditors. The Audit Committee shall meet separately with the external auditors at every meeting of the Audit Committee at which external auditors are present.

## **MEETING AGENDAS**

Agendas for meetings of the Audit Committee shall be developed by the Chair of the Audit Committee in consultation with the management and the corporate secretary and shall be circulated to Audit Committee members as far in advance of each Audit Committee meeting as is reasonable.

## **RESOURCES AND AUTHORITY**

The Audit Committee shall have the resources and the authority to discharge its responsibilities, including the authority, in its sole discretion, to engage, at the expense of the Corporation, outside consultants, independent legal counsel and other advisors and experts as it determines necessary to carry out its duties, without seeking approval of the Board or management.

The Audit Committee shall have the authority to conduct any investigation necessary and appropriate to fulfilling its responsibilities and has direct access to and the authority to other officers and employees of the Corporation.

The members of the Audit Committee shall have the right for the purpose of performing their duties to inspect all the books and records of the Corporation and its subsidiaries and to discuss such accounts and records and any matters relating to the financial position, risk management and internal controls of the Corporation with the officers and external and internal auditors of the Corporation and its subsidiaries. Any member of the Audit Committee may require the external or internal auditors to attend any or every meeting of the Audit Committee.

## **RESPONSIBILITIES**

The Corporation's management is responsible for preparing the Corporation's financial statements and the external auditors are responsible for auditing those financial statements. The Audit Committee is responsible for overseeing the conduct of those activities by the Corporation's management and external auditors and overseeing the activities of the internal auditors.

The specific responsibilities of the Audit Committee shall include those listed below. The enumerated responsibilities are not meant to restrict the Audit Committee from examining any matters related to its purpose.

### **Financial Reporting Process and Financial Statements**

The Audit Committee shall:

- (a) in consultation with the external auditors and the internal auditors, review the integrity of the Corporation's financial reporting process, both internal and external, and any major issues as to the adequacy of the internal controls and any special audit steps adopted in light of material control deficiencies;

- (b) review all material transactions and material contracts entered into between (i) the Corporation or any subsidiary of the Corporation, and (ii) any subsidiary, director, officer, insider or related party of the Corporation, other than transactions in the ordinary course of business;
- (c) review and discuss with management and the external auditors: (i) the preparation of Corporation's annual audited consolidated financial statements and its interim unaudited consolidated financial statements; (ii) whether the financial statements present fairly (in accordance with Canadian generally accepted accounting principles) in all material respects the financial condition, results of operations and cash flows of the Corporation as of and for the periods presented; (iii) any matters required to be discussed with the external auditors according to Canadian generally accepted auditing standards; (iv) an annual report by the external auditors describing: (A) all critical accounting policies and practices used information within generally accepted accounting principles that have been discussed with management of the Corporation, including the ramifications of the use such alternative treatments and disclosures and the treatment preferred by the external auditors; and (C) other material written communications between the external auditors and management;
- (d) following completion of the annual audit, review with each of: (i) management; (ii) the external auditors; and (iii) the internal auditors, any significant issues, concerns or difficulties encountered during the course of the audit;
- (e) resolve disagreements between management and the external auditors regarding financial reporting;
- (f) review the financial statements, management discussion and analysis and annual and interim press releases prior to public disclosure of this information; and
- (g) review and be satisfied that adequate procedures are in place for the review of the public disclosure of financial information by the Corporation extracted or derived from the Corporation's financial statements, other than the disclosure referred to in (f), and periodically assess the adequacy of those procedures.

### **External Auditors**

The Audit Committee shall:

- (a) require the external auditors to report directly to the Audit Committee;
- (b) recommend to the Board the external auditors to be nominated for approval by the shareholders and the compensation of the external auditor;
- (c) be directly responsible for the selection, nomination, compensation, retention, termination and oversight of the work of the Corporation's external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation;
- (d) approve all audit engagements and must pre-approve the provision by the external auditors of all non-audit services, including fees and terms for all audit engagements and non-audit engagements, and in such regard the Audit Committee may establish the types of non-audit services the external auditors shall be prohibited from providing and shall establish the types of audit, audit related and non-audit services for which the Audit Committee will retain the external auditors. The Audit Committee may delegate to one or more of its members the authority to pre-approve non-audit services, provided that any such delegated pre-approval shall be exercised in accordance with the types of particular non-audit services authorized by the Audit Committee to be provided by the external auditor and the exercise of such delegated pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting following such pre-approval;

- (e) review and approve the Corporation's policies for the hiring of partners and employees and former partners and employees of the external auditors;
- (f) consider, assess and report to the Board with regard to the independence and performance of the external auditors; and
- (g) request and review the audit plan of the external auditors as well as a report by the external auditors to be submitted at least annually regarding: (i) the external auditing firm's internal quality-control procedures; (ii) any material issues raised by the external auditor's own most recent internal quality-control review or peer review of the auditing firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the external auditors, and any steps taken to deal with any such issues.

### **Accounting Systems and Internal Controls**

The Audit Committee shall:

- (a) oversee management's design and implementation of and reporting on internal controls. The Audit Committee shall also receive and review reports from management, the internal auditors and the external auditors on an annual basis with regard to the reliability and effective operation of the Corporation's accounting system and internal controls; and
- (b) review annually the activities, organization and qualifications of the internal auditors and discuss with the external auditors the responsibilities, budget and staffing of the internal audit function.

### **Legal and Regulatory Requirements**

The Audit Committee shall:

- (a) receive and review timely analysis by management of significant issues relating to public disclosure and reporting;
- (b) review, prior to finalization, periodic public disclosure documents containing financial information, including the Management's Discussion and Analysis and Annual Information Form, if required;
- (c) prepare the report of the Audit Committee required to be included in the Corporation's periodic filings;
- (d) review with the Corporation's counsel legal compliance matters, significant litigation and other legal matters that could have a significant impact on the Corporation's financial statements; and
- (e) assist the Board in the oversight of compliance with legal and regulatory requirements and review with legal counsel the adequacy and effectiveness of the Corporation's procedures to ensure compliance with legal and regulatory responsibilities.

### **Additional Responsibilities**

The Audit Committee shall:

- (a) discuss policies with the external auditor, internal auditor and management with respect to risk assessment and risk management;
- (b) establish procedures and policies for the following
  - (i) the receipt, retention, treatment and resolution of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and



- (ii) the confidential, anonymous submission by directors or employees of the Corporation of concerns regarding questionable accounting or auditing matters;
- (c) prepare and review with the Board an annual performance evaluation of the Audit Committee;
- (d) report regularly to the Board, including with regard to matters such as the quality or integrity of the Corporation's financial statements, compliance with legal or regulatory requirements, the performance of the internal audit function, and the performance and independence of the external auditors; and
- (e) review and reassess the adequacy of the Audit Committee's Charter on an annual basis.

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

Nothing in this Charter is intended, or may be construed, to impose on any member of the Audit Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject.

Each member of the Audit Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the information provided to the Corporation by such persons or organizations.

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