

*750 West Pender Street, Suite 401  
Vancouver, BC, Canada, V6C 2T7  
Phone: 604-428-7050  
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**MANAGEMENT INFORMATION CIRCULAR**

**AND**

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

**OF**

**LANEBURY GROWTH CAPITAL LTD.**

**TO BE HELD ON MAY 22, 2024**

**Dated: April 5, 2024**

## Notice of Availability of Proxy Materials

### for LANEBURY GROWTH CAPITAL LTD. Annual and Special Meeting

**Meeting Date and Time: Wednesday, May 22, 2024 at 10:00 A.M. Pacific Time**

**Location: <https://us06web.zoom.us/j/85919878456?pwd=NvtAq0XEsyx5yNgbhhPjwa0ko7TaT2.1>**

**Meeting ID: 859 1987 8456 | Passcode: 203664**

To assist with the attendance, Shareholders are asked to log into the Meeting with their *First and Last Names*.

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Please be advised that the proxy materials for the above noted securityholder meeting are available for viewing and downloading online. This document provides an overview of these materials, but you are reminded to access and review the information circular and other proxy materials available online prior to voting. These materials are available at:

<https://odysseytrust.com/client/lanebury>

OR

[www.sedarplus.ca](http://www.sedarplus.ca)

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#### **Obtaining Paper Copies of the Proxy Materials**

Securityholders may request to receive paper copies of the proxy materials related to the above referenced meeting by mail at no cost. Requests for paper copies must be received by **May 13, 2024** in order to receive the paper copy in advance of the meeting. Shareholders may request to receive a paper copy of the Materials for up to one year from the date the Materials were filed on ([www.sedarplus.ca](http://www.sedarplus.ca)).

For more information regarding notice-and-access or to obtain a paper copy of the Materials you may contact our transfer agent, Odyssey Trust Company, via <https://odysseytrust.com/ca-en/help/> or by phone at 1-888-290-1175 (toll-free within North America) or 1-587-885-0960 (direct from outside North America).

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#### **Notice of Meeting**

The resolutions to be voted on at the meeting, described in detail in the Management Information Circular, are as follows:

- to receive the audited financial statements of the Company for the financial year ended June 30, 2023, together with the auditor's report thereon;
- to fix number of directors at four (4);
- to elect directors for the ensuing year;
- to appoint Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, as the Company's auditor for the ensuing year, and to authorize the directors to fix the remuneration to be paid to the auditor;
- to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution approving the stock option plan of the Company as set forth in the Management Information Circular; and
- to transact such other business as may properly come before the Meeting or any adjournments thereof.

#### **Voting**

To vote your securities, please refer to the instructions on the enclosed Proxy or Voting Instruction Form. Your Proxy or Voting Instruction Form must be received by **10:00 A.M. (Pacific Time) on Monday, May 20, 2024**.

#### **Stratification**

The Issuer is providing paper copies of its Management Information Circular only to those registered shareholders and beneficial shareholders who have previously requested to receive paper materials.

#### **Annual Financial Statements**

The Issuer is providing paper copies or emailing electronic copies of its annual financial statements to registered shareholders and beneficial shareholders that have opted to receive annual financial statements and have indicated a preference for either delivery method.

**DATED** at Vancouver, British Columbia, this **5<sup>th</sup>** day of **April, 2024**.

By Order of The Board of Directors:

Signed: "Lance Tracey"

Lance Tracey

Chief Executive Officer, President and Director

## LANEBURY GROWTH CAPITAL LTD.

750 West Pender Street, Suite 401,  
Vancouver, British Columbia, V6C 2T7, Canada

# MANAGEMENT INFORMATION CIRCULAR

The information contained in this Management Information Circular (the “**Information Circular**”), unless otherwise indicated, is as of **April 5, 2024**.

This Information Circular is furnished in connection with the solicitation of proxies by the management of Lanebury Growth Capital Ltd. for use at the annual general and special meeting (the “**Meeting**”) of holders of common shares of the Company (“**Shareholders**”) that is to be held virtually on at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular, references to the “**Company**”, “**we**”, “**our**” and “**Lanebury**” refer to Lanebury Growth Capital Ltd. “**Common Shares**” means common shares in the capital of the Company. “**Beneficial Shareholders**” means holders of Common Shares who do not hold their Common Shares in their own name and “**Intermediaries**”, as defined herein, refers to brokers, investment firms, clearing houses and similar entities that hold securities on behalf of Beneficial Shareholders.

The Company is relying on the “notice-and-access” delivery procedures outlined in this Information Circular to distribute copies of proxy-related materials in connection with the Meeting. See “Notice and Access” below for further information.

All dollar amounts presented in this Information Circular are in Canadian dollar amounts, unless otherwise stated.

## SECTION 1 - GENERAL PROXY AND VOTING INFORMATION

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### SOLICITATION OF PROXIES

The solicitation of proxies will primarily be made by sending proxy materials to Shareholders by mail, and in relation to the delivery of this Information Circular, by filing it under the Company’s profile on the System for Electronic Document Analysis and Retrieval + (“**SEDAR**”) at [www.sedarplus.ca](http://www.sedarplus.ca) pursuant to Notice and Access (as defined hereunder). The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact and such solicitation will be made without special compensation granted to the directors, officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for costs incurred in obtaining, from their principals, authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this Information Circular and proxy materials to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

## NOTICE AND ACCESS

The Company has chosen to deliver the Meeting proxy materials, including the Notice and Access Notification to Shareholders (the "**Notification**"), the Notice of Annual General and Special Meeting of Shareholders and the Information Circular and a form of Proxy (the "**Proxy**") (together, the "**Proxy Materials**") using Notice-and-Access provisions, which govern the delivery of proxy-related materials to Shareholders utilizing the internet. Notice-and-Access provisions are found in section 9.1.1 of National Instrument 51-102 – Continuous Disclosure Obligations ("**NI 51-102**"), for delivery to Registered Shareholders, and in section 2.7.1 of National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer ("**NI 54-101**"), for delivery to beneficial Shareholders (together, the "**Notice-and-Access Provisions**"). Notice-and-Access Provisions allow the Company to deliver Proxy Materials to Shareholders by posting them on a non-SEDAR website (usually the reporting issuer's website or the website of their transfer agent), provided that the conditions of NI 51-102 and NI 54-101 are met, rather than by printing and mailing all of the Proxy Materials, in particular the Information Circular.

Notice-and-Access Provisions can be used to send proxy materials for both annual and special meetings of the Shareholders. The Shareholders may still choose to receive a paper copy of the Information Circular, and are entitled to request a paper copy of the Information Circular be mailed to them at the Company's expense.

Use of Notice-and-Access Provisions reduces paper waste and the Company's printing and mailing costs. Under Notice-and-Access Provisions the Company must mail a Notification and a form of proxy or voting instruction form, as applicable (together, the "**Notice Package**") to each Shareholder, including Registered and Beneficial Shareholders, indicating that the Proxy Materials have been posted online and explaining how a Shareholder can access them; and how they may obtain a paper copy of the Information Circular, from the Company. The Information Circular has been posted in full, together with the Notification, the Notice of Annual General and Special Meeting and the Proxy, on the Company's SEDAR profile at [www.sedarplus.ca](http://www.sedarplus.ca).

## HOW TO OBTAIN A PAPER COPY OF THE CIRCULAR

Any Shareholder may request a paper copy of the Information Circular be mailed to them, at no cost, by contacting the Company's transfer agent Odyssey Trust Company, via <https://odysseytrust.com/ca-en/help/> or by phone at 1-888-290-1175 (toll-free within North America) or 1-587-885-0960 (direct from outside North America).

To allow adequate time for a Shareholder to receive and review a paper copy of the Information Circular and then to submit their vote by 10:00 A.M. Pacific Time on **Monday, May 20, 2024** (the "**Proxy Deadline**"), a Shareholder requesting a paper copy of the Information Circular as described above, should ensure such request is received no later than **May 13, 2024**.

Under Notice-and-Access Provisions, Proxy Materials must be available for viewing for up to one year from the date of posting and a paper copy of the Information Circular can be requested at any time during this period. To obtain a paper copy of the Information Circular after the Meeting date, please contact the Company.

Pursuant to Notice-and-Access Provisions, the Company has set the record date for the Meeting to be at least 40 days prior to the Meeting in order to ensure there is sufficient time for the Proxy Materials to be posted on the applicable website and for them to be delivered to Shareholders. The form of notice-and-access notification in the Company's notice package must (i) provide basic information about the Meeting and the matters to be voted on; (ii) explain how a Shareholder can obtain a paper copy of the Information Circular and any related financial statements and management discussion and analysis; (iii) explain the Notice-and-Access Provisions process; all of which are included in the Notification. The Notice Package, which is being mailed to Shareholders by the Company, in each case includes the applicable

voting document: the Proxy for Registered Shareholders; or a VIF in the case of Non-Registered (Beneficial) Shareholders.

Also, pursuant to Notice-and-Access Provisions, since the Company has not previously utilized Notice-and-Access Provisions for delivery of its annual meeting proxy materials, the Company ensured there are a minimum of 25 days between the date the company SEDAR files Notice of Meeting and Record Dates and the stipulated record date of the meeting.

The Company will not use a procedure known as 'stratification' in relation to its use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using Notice-and-Access Provisions also provides a paper copy of its management information circular to some of its shareholders with the Notice Package. All Shareholders will receive only the Notice Package, which must be mailed to them pursuant to Notice-and-Access Provisions, and which will not include a paper copy of the Information Circular. All Proxy Materials, which have the information a Shareholder requires to vote in respect of all resolutions to be voted on at the Meeting, will be posted online. Shareholders will not receive a paper copy of the Information Circular from the Company, or from any intermediary, unless a Shareholder specifically requests one.

All Shareholders may call at 1-888-290-1175 (toll-free within North America) or 1-587-885-0960 (direct from outside North America). in order to obtain additional information relating to Notice-and-Access Provisions or to request a paper copy of the Information Circular, up to and including the date of the Meeting, including any adjournment of the Meeting.

#### **WHO CAN VOTE?**

If you are a registered Shareholder of the Company as at **April 5, 2024**, you are entitled to notice of and to attend at the Meeting and cast a vote for each share registered in your name on all resolutions put before the Meeting. If the Common Shares are registered in the name of a corporation, a duly authorized officer of that corporation may attend on its behalf but documentation indicating such officer's authority should be presented at the Meeting. If you are a registered Shareholder but do not wish to, or cannot, attend the Meeting you can appoint someone who will attend the Meeting and act as your proxyholder to vote in accordance with your instructions (see "*Voting by Proxy*" below). If your Common Shares are registered in the name of a "nominee" (usually a bank, trust company, securities dealer, financial institution or other intermediary ("**Intermediary**" or "**Intermediaries**," as appropriate)) you should refer to the section entitled "**Non-Registered Shareholders**" set out below.

It is important that your Common Shares be represented at the Meeting regardless of the number of Common Shares you hold. If you will not be attending the Meeting, we invite you to complete, date, sign and return your form of proxy as soon as possible so that your Common Shares will be represented.

#### **VOTING BY PROXY**

If you do not come to the Meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy.

**In order to be valid, you must return the completed form of proxy to the Company's transfer agent, Odyssey Trust Company, 350-409 Granville Street, Vancouver, BC V6C 1T2, Attention: Proxy Department, or by fax at (800) 517-4553 not later than 48 hours, excluding Saturdays, Sundays and holidays, prior to the time fixed for the Meeting or any adjournments thereof. Alternatively, a shareholder may complete his or her form of proxy online at <http://odysseytrust.com/Transfer-Agent/Login> by following the instructions provided on the form of proxy. In the event of a strike, lockout or other work stoppage involving postal employees, all documents required to be delivered by a shareholder should be delivered by facsimile to Odyssey Trust Company at (800) 517-4553.**

#### *What is a Proxy?*

A form of proxy is a document that authorizes someone to attend the Meeting and cast your votes for

you. We have enclosed a form of proxy with this Information Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

#### *Appointing a Proxyholder*

The persons named as management proxyholders to represent registered Shareholders at the Meeting are Lance Tracey, Chief Executive Officer and Directors of the Company, or Sheri Rempel, Chief Financial Officer and a Director of the Company (collectively, the “**Management Proxyholders**”).

**A Shareholder wishing to appoint some other person or company (who need not be a Shareholder) other than the designated persons named in the form of proxy to represent him or her at the Meeting has the right to do so, either by inserting such other person’s or company’s name in the blank space provided in the form of proxy or by completing another form of proxy. Such a Shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and instruct him or her on how the Shareholder’s Common Shares are to be voted or withheld from voting. In any case, the form of proxy should be dated and executed by the Shareholder or his/her attorney authorized in writing, or if the Shareholder is a company, under its corporate seal, or by an officer or attorney thereof duly authorized.**

Similar procedures should be followed by a non-registered Shareholder with respect to the completion of a voting instruction form (“**VIF**”) provided by such Shareholder’s Intermediary, although the Shareholder should read the instructions on his or her VIF and, if necessary, confirm the instructions with his or her Intermediary. If a non-registered Shareholder wishes to attend the Meeting to vote in person, the Shareholder must instruct the Intermediary to appoint him or her as a proxyholder.

A proxy will not be valid for the Meeting or any adjournment thereof unless the completed, signed and dated form of proxy is delivered to the office of the Transfer Agent by mail or by hand, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the commencement of the Meeting.

The Company has sent the Notice Package, to all eligible Shareholders informing them that this Information Circular is available online and explaining how this Information Circular may be accessed. The Company will not directly send the Notice Package to Beneficial Shareholders (as defined below). Instead, the Company will pay the Intermediaries for the distribution to Beneficial Shareholders whose Common Shares are held by or in the custody of such Intermediaries. Such Intermediaries are required to forward the Notice Package to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive it. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Company if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Company will pay the permitted fees and costs of Intermediaries incurred in connection with the distribution of the Notice Package.

#### *Instructing Your Proxy*

You may indicate on your form of proxy how you wish your proxyholder to vote your Common Shares or withhold them from voting. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your Common Shares or withhold them from voting in accordance with the instructions you have given.

**If you do not give any instructions as to how to vote on a particular issue to be decided at the Meeting, your proxyholder can vote your Common Shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your Common Shares IN FAVOUR of each of the items of business being considered at the Meeting.**

For more information about these matters, see Section 3 – Particulars of Matters to be Acted Upon. **The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified in the Notice of Meeting.** At the time of printing this Information Circular, management of the Company is not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

## *Revocation of Proxies*

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the Meeting via teleconference and voting in person; (b) signing a proxy bearing a later date; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the Company at 750 West Pender Street, Suite 401, Vancouver, British Columbia, V6C 2T7 or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 4:00 p.m. in the afternoon (Pacific Time) on the last business day before the day of the Meeting, or any adjournment thereof, or delivered to the person presiding at the Meeting before it (or any adjournment) commences. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, you can still vote your shares but to do so you must attend the Meeting in person via teleconference. **Only registered shareholders may revoke a proxy. If your shares are not registered in your own name and you wish to change your vote, you must arrange for your nominee to revoke your proxy on your behalf (see below under “Non-Registered Shareholders”).**

### **REGISTERED SHAREHOLDERS**

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person via teleconference. Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed form of proxy and returning it to the Company’s transfer agent, Odyssey Trust Company, 350-409 Granville Street, Vancouver, BC V6C 1T2, Attention: Proxy Department, or by fax at (800) 517-4553.

In all cases, the proxy must be received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

### **NON-REGISTERED SHAREHOLDERS**

The following information is of significant importance to Shareholders of the Company who do not hold Common Shares in their own name. These Shareholders are called Beneficial Shareholders. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares).

If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder’s broker or an agent of that broker. In the United States the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many United States brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from beneficial Shareholders in advance of Shareholders’ meetings. Every Intermediary has its own mailing procedures and provides its own return instructions to clients.

### **IF YOU ARE A BENEFICIAL SHAREHOLDER**

You should carefully follow the instructions of your broker or Intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf. Many brokers delegate responsibility for obtaining instructions from clients to an investor communication service (“**ICS**”) in Canada/the United States. The ICS will typically mail a voting instruction form in lieu of a proxy provided by the Company. The voting instruction form will name the same persons as the Company’s Proxy to represent you at the Meeting. **You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting**

**instruction form.** The completed voting instruction form must then be returned to the ICS by mail or facsimile or given to the ICS by phone or over the internet, in accordance with the ICS' instructions. The ICS then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. If you receive a voting instruction form from an ICS, you cannot use it to vote Common Shares directly at the Meeting - the voting instruction form must be completed and returned to the ICS, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.

Although as a beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxy holder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxy holder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your Common Shares.

This Information Circular and related material is being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

By choosing to send these materials to you indirectly the Intermediary holding on your behalf has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

**Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies, including instructions regarding when and where the voting instruction form or proxy form is to be delivered.**

#### **NOTICE TO SHAREHOLDERS IN THE UNITED STATES**

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws. The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), as amended (the "**Act**"), certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

#### **RECORD DATE AND QUORUM**

The Company has set the close of business on April 5, 2024, as the record date (the "**Record Date**") for the Meeting. Only the Shareholders of record as at the Record Date are entitled to receive notice of and to vote at the Meeting, unless after that date a Shareholder of record transfers his or her Common Shares and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he or she owns such shares, requests at least ten (10) days prior to the Meeting that the transferee's name be included in the list of Shareholders entitled to vote, in which case such transferee is entitled to vote such shares at the Meeting.



Pursuant to the Articles of the Company, the quorum for the transaction of business at a Meeting of shareholder is one shareholder present in person (or, being a corporation, partnership, trust or other non-individual legal entity represented in accordance with the provision of the *Business Corporations Act* (British Columbia), or by proxy holding not less than one voting share of the Company entitled to be voted at the Meeting.

## SECTION 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

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The Company is authorized to issue an unlimited number of common shares without par value. As at the close of business on the Record Date being **April 5, 2024**, **10,320,803** common shares were issued and outstanding. Each shareholder entitled to receive notice of and to vote at the Meeting is entitled to one vote for each common share registered in his or her name at the close of business on **April 5, 2024**.

The Company is also authorized to issue an unlimited number of preferred shares with a par value of \$100.00 each and with special rights and restrictions attached. As of the Record Date, there are no preferred shares issued and outstanding.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Common Share registered in that shareholder's name on the list of shareholders as at the Record Date, which is available for inspection during normal business hours at the Company's transfer agent and will be available at the Meeting.

To the knowledge of the directors and executive officers of the Company, the only persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, common shares carrying more than 10% of the voting rights attached to all outstanding common shares of the Company as at April 5, 2024, are:

Shareholder Name	Number of Common Shares Held <sup>(1)(3)</sup>	Percentage of Issued Common Shares <sup>(1)</sup>
Code Consulting Limited <sup>(2)</sup>	9,127,500	84.44%

### NOTES:

- (1) Based on 10,320,803 common shares issued and outstanding as at Record Date.
- (2) Code Consulting Limited is a holding company beneficially controlled by Lance Tracey, President, CEO and Director of the Company.
- (3) Information as to shares beneficially owned, not being within our knowledge has been furnished by the respective person, has been extracted from the list of registered shareholders maintained by the Company's transfer agent, has been obtained from insider reports filed by respective person and available through the Internet at the Canadian System for Electronic Disclosure by Insiders ([www.sedi.ca](http://www.sedi.ca)) or has been obtained from early warning report and alternative monthly reports filed by the respective person and available through on SEDAR ([www.sedarplus.ca](http://www.sedarplus.ca)).

## SECTION 3 - THE BUSINESS OF THE MEETING

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A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

### FINANCIAL STATEMENTS

The audited financial statements of the Company for the financial year ended **June 30, 2023** will be placed before you at the Meeting. These audited financial statements have been previously mailed to the

shareholders who had requested to receive a copy of same and are available under the Company's SEDAR profile at ([www.sedarplus.ca](http://www.sedarplus.ca)).

**No approval or other action needs to be taken at the Meeting in respect of these documents.**

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* and National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, both of the Canadian Securities Administrators, a person or corporation who in the future wishes to receive annual and interim financial statements from the Company must deliver a written request for such material to the Company. Shareholders who wish to receive annual and interim financial statements are encouraged to complete the appropriate section on the Financial Statement Request Form attached to this Information Circular and send it to the Company.

**ELECTION OF DIRECTORS**

*Number of Directors*

Under the Company's Articles and pursuant to the *Business Corporations Act* (British Columbia), the number of directors may be set by ordinary resolution but shall not be fewer than three. The Company currently has **four (4)** directors. All of the current directors are being put forward by management of the Company for election at the Meeting.

**The Company's management recommends that the shareholders vote in favour of the resolution setting the number of directors at four (4). Unless you give other instructions, the Management Proxyholders intend to vote FOR the resolution setting the number of directors at four (4).**

*Nominees for Election*

Directors of the Company are elected for a term of one year. The term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he or she resigns or otherwise vacates office before that time.

The following table sets out the names of management's nominees for election as directors of the Company; all offices in the Company each nominee now holds; each nominee's principal occupation, business or employment; the period of time during which each nominee has been a director of the Company; and the number of common shares that are beneficially owned, directly or indirectly, or over which control or direction is exercised, by each nominee as at Record Date.

All of the current directors of the Company will be standing for re-election. Each of the nominees has agreed to stand for election and management of the Company is not aware of any intention of any of them not to do so. Management does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy reserve the right to vote for other nominees in their discretion.

<b>Name, Position(s) with the Company, Province/State &amp; Country of Residence <sup>(1)</sup></b>	<b>Principal Occupation and, IF NOT at Present an ELECTED Director, Occupation During the Past Five Years <sup>(1)</sup></b>	<b>Director since</b>	<b>Number of Shares Beneficially Owned<sup>(2)</sup></b>
<b>LANCE TRACEY</b> <i>CEO &amp; Director</i> British Columbia, Canada	Self-employed business owner.	November 30, 2015	9,127,500
<b>SHERI REMPEL<sup>(3)</sup></b> <i>CFO, Corporate Secretary &amp; Director</i> British Columbia, Canada	President of CTB Consulting Inc. since 2006 to present; owner of ARO Consulting Inc.	November 30, 2015	Nil
<b>TIMOTHY GRZYB<sup>(3)</sup></b> <i>Director</i> British Columbia, Canada	President of Cinder Systems Inc. since April 2000 to present	March 30, 2020	6,000
<b>GARY SHERLOCK<sup>(3)</sup></b> <i>Director</i> British Columbia, Canada	Co-CEO of commercebuild since 2019 to present.	January 25, 2024	Nil

**NOTES:**

- (1) Information as to the residency and principal occupation has been provided by the respective directors.
- (2) Information as to shares beneficially owned, not being within our knowledge has been furnished by the respective person, has been extracted from the list of registered shareholders maintained by the Company's transfer agent, has been obtained from insider reports filed by respective person and available through the Internet at the Canadian System for Electronic Disclosure by Insiders ([www.sedi.ca](http://www.sedi.ca)) or has been obtained from early warning report and alternative monthly reports filed by the respective person and available through on SEDAR ([www.sedarplus.ca](http://www.sedarplus.ca)).
- (3) Member of the Audit Committee.

**The Company's management recommends that the shareholders vote in favour of the election of the proposed nominees as directors of the Company for the ensuing year. Unless you give instructions otherwise, the Management Proxyholders intend to vote FOR the nominees named in this Information Circular.**

#### **APPOINTMENT OF THE AUDITOR**

At the Meeting, Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, located at Suite 1500 – 1140 West Pender Street, Vancouver, BC V6E 4G1, will be recommended by management and the Board of Directors for re-appointment as auditor of the Company at a remuneration to be fixed by the directors. See Section 5 – Audit Committee – External Service Fees.

**The Company's management recommends that the shareholders vote in favour of the appointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, as the Company's auditor for the ensuing year and grant the Board of Directors the authority to determine the remuneration to be paid to the auditor. Unless you give instructions otherwise, the Management Proxyholders intend to vote FOR the appointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, to act as the Company's auditor until the close of its next annual general meeting and also intend to vote FOR the proposed resolution to authorize the Board of Directors to fix the remuneration to be paid to the auditor.**

#### **APPROVAL OF STOCK OPTION PLAN**

At the Meeting, shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the Company's "rolling" stock option plan (the "**Plan**") dated December 7, 2015 (the "**Plan Resolution**"), subject to such amendments, variations or additions as may be approved at the Meeting. Pursuant to the Plan a maximum of 10% of the number of issued and outstanding shares of the Company at any given time may be reserved for issuance pursuant to the exercise of options. The Plan was previously approved by the Shareholders of the Company at its Annual General Meeting held on January 28, 2016. The complete text of the Plan is available under the Company's profile on SEDAR ([www.sedarplus.ca](http://www.sedarplus.ca)) and a summary of its material terms is provided below.

#### **Particulars of the Option Plan**

The Plan provides that stock options may be granted to directors, officers, employees and consultants of the Company (and any subsidiary of the Company) and management company employees.

The purpose of the Plan is to provide the Company with a share related mechanism to enable the Company to attract, retain and motivate qualified directors, officers, employees and other service providers, to reward directors, officers, employees and other service providers for their contribution toward the long-term goals of the Company and to enable and encourage such individuals to acquire shares of the Company as long term investments.

The following information is intended to be a brief description of the Plan and is qualified in its entirety by the full text of the Plan:

- the number of shares which will be available for purchase pursuant to options granted pursuant to this Plan, plus any other outstanding incentive stock options of the Company granted pursuant to a previous stock option plan or agreement, will not exceed 10% of the number of shares that are outstanding (on a non-diluted basis) immediately prior to the share issuance or grant of option in question (the "**Outstanding Issue**");
- if any option expires or otherwise terminates for any reason without having been exercised in full, the number of shares in respect of such expired or terminated option shall again be available for the purposes of granting options pursuant to this Plan;

- the options are non-assignable and may be granted for a term not exceeding ten years;
- the exercise price shall not be lower than the greater of the closing market price of the common shares on (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options;
- the terms of an option may not be amended once issued;
- if an option is cancelled prior to its expiry date, the Company shall post notice of the cancellation and shall not grant new options to the same person until 30 days have elapsed from the date of cancellation;
- the maximum number of options which may be granted to any one option holder under the Plan within any 12-month period shall be 5% of the Outstanding Issue on the date of grant (unless the Company has obtained disinterested shareholder approval, if required by the applicable securities laws);
- if required by the applicable securities laws, disinterested shareholder approval is required to the grant to insiders of the Company, within a 12-month period, of a number of options which, when added to the number of outstanding incentive stock options granted to insiders of the Company within the previous 12 months, exceed 10% of the issued shares;
- the maximum number of options which may be granted to any one consultant within any 12-month period must not exceed 2% of the Outstanding Issue;
- the maximum number of options which may be granted within any 12-month period to employees or consultants engaged in investor relations activities must not exceed 2% of the Outstanding Issue and such options must vest in stages over 12 months with no more than 25% of the options vesting in any three month period; and
- vesting of options, except as noted above, shall be determined by the Board of Directors and shall be set out in the option certificate issued in respect of the options.

A copy of the Plan is available for inspection under the Company's profile on SEDAR ([www.sedarplus.ca](http://www.sedarplus.ca)). A shareholder may also obtain a copy of the Plan by contacting the Company at Suite 401, 750 West Pender Street, Vancouver, BC V6C 2T7 or by fax No. 604-428-7052.

To be effective, the Plan Resolution requires the affirmative vote of not less than a majority of the votes cast by shareholders present or represented by proxy and entitled to vote at the Meeting.

The Board unanimously recommends that shareholders vote in favour of the Plan Resolution. Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, properly executed, FOR the Plan Resolution. The text of the Plan Resolution to be passed by shareholders at the Meeting is set out below:

Under the policies of the Canadian Securities Exchange ("CSE") as revised effective April 3, 2023, the Company must obtain shareholder approval of the Plan within three years after institution and within every three years thereafter. Accordingly, shareholders will be asked to approve the following resolution:

***"BE IT RESOLVED THAT:***

- 1. the Plan pursuant to which the directors may, from time to time, authorize the issuance of stock options to directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding Common Shares at the time of the grant, be and is hereby ratified, confirmed and approved;*
- 2. the Company shall seek shareholder approval of the Plan no later than May 22, 2026; and*
- 3. any director or officer of the Company is hereby authorized and directed, acting for, in the name of, and on behalf of, the Company, to execute or cause to be executed and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such acts and things, as may in the opinion of such director or officer be necessary or desirable to carry out the intent of the foregoing resolutions."*

**The Board recommends that the Shareholders vote for the Plan Resolution. Proxies received in favour of management will be voted for the Plan Resolution unless a Shareholder has specified in the Proxy that the Common Shares are to be voted against the Plan Resolution.**

## OTHER BUSINESS

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the common shares represented by the proxies solicited hereby will be voted on such matter in accordance with the best judgement of the persons voting by proxy.

## SECTION 4 – EXECUTIVE COMPENSATION

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### GENERAL

For the purpose of this Statement of Executive Compensation:

“**Company**” means Lanebury Growth Capital Ltd.;

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

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

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“**CEO**”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“**CFO**”), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year ended **June 30, 2023**, whose total compensation was more than \$150,000 for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

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

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

Based on the foregoing definitions, during the most recently completed financial year ended **June 30, 2023**, the Company had **two (2)** NEOs, namely Lance Tracey and Sheri Rempel.

### DIRECTOR AND NEO COMPENSATION

#### *Director and NEO compensation, excluding options and compensation securities*

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiary, to each NEO and director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or its subsidiary.

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 (\$)	Total compensation (\$)
Lance Tracey, <sup>(1)</sup> CEO & Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Sheri Rempel, <sup>(2)</sup> CFO, Corporate Secretary & Director	2023	Nil	Nil	Nil	Nil	\$14,211 <sup>(3)</sup>	\$14,211
	2022	Nil	Nil	Nil	Nil	\$8,460	\$8,460
Gary Schroeder, <sup>(4)</sup> Former Director	2023	N/A	N/A	N/A	N/A	N/A	N/A
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Timothy Grzyb <sup>(5)</sup> Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

(1) Lance Tracey was appointed CEO and a director of the Company on November 30, 2015.

(2) Sheri Rempel was appointed CFO and a director of the Company on November 1, 2015, and Corporate Secretary on August 24, 2018.

(3) Fees paid by the Company to ARO Consulting Inc., a company controlled by Sheri Rempel, Director, CFO and Corporate Secretary for full cycle bookkeeping, CFO and corporate secretarial services, including \$3,180 paid for CFO services.

(4) Gary Schroeder was appointed a director of the Company on January 19, 2017 and ceased to be a director on October 11, 2022.

(5) Timothy Grzyb was elected to the board of directors at the annual general meeting of shareholders held on March 30, 2020.

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

During the financial year ended June 30, 2023, there were no compensation securities granted or issued to each NEO and director for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

The Company had 700,000 Options issued and outstanding as at June 30, 2023.

During fiscal year 2023, there were no stock options that have expired unexercised; other than disclosed no compensation security has been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the most recently completed financial year.

There are no vesting provisions of the compensation securities and there are no restrictions or conditions for converting, exercising or exchanging the compensation securities.

### **Exercise of Compensation Securities by Directors and NEOs**

There were no compensation securities exercised by a director or NEO during the financial year ended June 30, 2023.

### **Stock Option Plans and Other Incentive Plans**

The Company's Stock Option Plan was adopted by the board of directors on December 7, 2015 (the "Plan"), and approved by the Shareholders on January 28, 2016 and permits the Board from time to time, in its discretion and in accordance with applicable securities laws and policies of the CSE, to grant to directors, officers, employees and consultants options to purchase common shares of the Company ("Option Shares"), provided that the number of Option Shares reserved for issuance will not exceed 10% of the then issued and outstanding common shares of the Company (calculated on a non-diluted basis) at the time an option is granted.

The Plan was established to provide an incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan is administered by the directors of the Company and provides for option grants to directors, officers, employees or consultants of the Company or of a subsidiary of the Company.

The particulars of the Plan are more fully described in the Section 3 – The Business of the Meeting – Approval of Stock Option Plan.

### **Other Provisions**

The Stock Option Plan contains provisions governing the acceleration of the vesting of options in the event of a change of control of the Company or in the event of a take-over proposal.

As at the financial year end of **June 30, 2023**, there were an aggregate of **700,000** stock options issued and outstanding, and as at the date of this Statement of Executive Compensation, there were an aggregate of **700,000** stock options issued and outstanding.

**Securities Authorized for Issuance Under Equity Compensation Plans**

The following table sets out information with respect to all compensation plans under which equity securities are authorized for issuance as of the financial year ended **June 30, 2023**:

Equity Compensation Plan Information			
Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by Securityholders	700,000	\$0.36	332,080 <sup>(1)</sup>
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	700,000	\$0.36	332,080 <sup>(1)</sup>

**NOTES:**

<sup>(1)</sup> Represents the number of common shares available under the Stock Option Plan, which reserves a number of common shares for issuance, pursuant to the exercise of stock options, that is equal to 10% of the issued and outstanding common shares from time to time.

**Employment, consulting and management agreements**

Management functions of the Company are not, to any substantial degree, performed other than by directors or NEOs of the Company. There are no agreements or arrangements that provide for compensation to NEOs or directors of the Company, or that provide for payments to a NEO or director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, severance, a change of control in the Company or a change in the NEO or director’s responsibilities. Mr. Tracey was appointed as CEO on November 30, 2015 and does not currently receive compensation for this position. There are no changes of control benefits in place.

**Oversight and description of director and NEO compensation**

**Compensation of Directors**

The compensation of directors and the CEO is determined by the Board as a whole. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

The Company had no arrangements, standard or otherwise, pursuant to which directors were compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the financial year ended **June 30, 2023**, or subsequently, up to and including the date of this Information Circular with the exception of stock-based compensation as detailed in this Information Circular. The quantity and quality of Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current compensation arrangements

adequately reflect the responsibilities and risks involved in being an effective director of the Company. The number of options to be granted to any director or officer is determined by the Board as a whole, thereby providing the independent director(s) with significant input into compensation decisions. Given the current size and limited scope of operations of the Company, the Board does not believe that a formal compensation committee is required. At such time and in the opinion of the Board, should the size and activities of the Company and the number of management employees warrant the formation of a formal compensation committee, one shall be appointed at such time.

### **Compensation of NEOs**

Compensation of NEOs is reviewed annually and determined by the Board as a whole. The level of compensation for NEOs is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources. In the Board's view, there is, and has been, no need for the Company to design or implement a formal compensation program for NEOs.

### **Elements of NEO Compensation**

As discussed above, the Company provides a Stock Option Plan to motivate NEOs by providing them with the opportunity, through stock options, to acquire an interest in the Company and benefit from the Company's growth. The Board does not employ a prescribed methodology when determining the grant or allocation of stock options to NEOs. Other than the Stock Option Plan, the Company does not offer any long-term incentive plans, share compensation plans, retirement plans, pension plans, or any other such benefit programs for NEOs.

### **Pension disclosure**

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans currently in place or proposed at this time.

## **SECTION 5 - AUDIT COMMITTEE**

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National Instrument 52-110 *Audit Committees* ("NI 52-110") requires the Company, as a venture issuer to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

### **AUDIT COMMITTEE CHARTER**

The audit committee has a charter which was adopted by the Board on December 7, 2015, and a copy of which is attached to this Information Circular as Schedule "A", filed on SEDAR at ([www.sedarplus.ca](http://www.sedarplus.ca)), and is specifically incorporated by reference into, and forms an integral part of this Information Circular.

### **COMPOSITION OF AUDIT COMMITTEE**

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Following the election of directors pursuant to this Information Circular, it is intended that Sheri Rempel, Timothy Grzyb and Gary Sherlock will continue to be members of the Audit Committee.

Ms. Rempel is an executive officer being Chief Financial Officer and Corporate Secretary of the Company and is not considered independent. Messrs. Grzyb and Sherlock are not executive officers of the Company, therefore, they are independent members of the Audit Committee.

All members of the audit committee are considered to be financially literate and 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.

### **RELEVANT EDUCATION AND EXPERIENCE**

All of the Audit Committee members are senior-level businesspeople with experience in financial matters; each has an understanding of accounting principles used by the Company to prepare financial statements and varied experience as to 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.

Sheri Rempel has more than 25 years of accounting and financial management experience. Ms. Rempel started her career with public companies in 2001 and currently provides senior financial advisory services to Canadian private and public corporations, acting in officer or Controller capacities. In 2006 she founded CTB Consulting Inc. to provide comprehensive financial reporting services to public companies on the TSX, TSX Venture and Canadian Securities Exchanges; in 2018 Ms. Rempel founded ARO Consulting Inc., a private consulting company providing financial and corporate services to both public and private companies on the TSX, TSX Venture and Canadian Securities Exchanges.

Timothy Grzyb has obtained a bachelor's degree in Business Administration, Finance and Accounting from the University of Regina, Saskatchewan, and for the past 20 years he has been providing B2B IT services through his company, Cinder Systems Inc. Mr. Grzyb specializes in the implementation and support of CMMS, ERP, accounting, and cloud-based systems for clients in a diverse number of industries, in both the public and private sectors. Cinder Systems Inc. currently provides IT support to multiple TSX, TSX Venture and CSE-listed companies.

Gary Sherlock has over 25 years of experience in the executive leadership in both corporate and operational roles. He has previously served as CEO and co-CEO of Peer 1 Hosting, a TSX-listed Vancouver-based internet infrastructure provider. With his business partner Fabio Banducci, Mr. Sherlock repositioned the company strategically upmarket, restructured the organization, expanded its operations both domestically and globally and grew the organization to over 500 employees while delivering best in class operating metrics. During his tenure at Peer 1, annualized revenues grew to \$200 million and in January 2013, Peer 1 was acquired by Cogeco Cable for \$650 million. Mr. Sherlock graduated with distinction from the University of Regina with a Bachelor of Administration and held Chartered Professional Accountant (CPA, CA and CMA) designation from 1989 to 2024.

Each member of the Company's Audit Committee has adequate education and experience relevant to his/hers performance as an audit committee member and, in particular, the requisite education and experience that provides the member with:

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

### **AUDIT COMMITTEE OVERSIGHT**

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

### **RELIANCE ON CERTAIN EXEMPTIONS**

At no time since the commencement of the Company's most recently completed financial year ended **June 30, 2023**, has the Company relied on the exemption in Section 2.4 of NI 52-110 - *Audit Committees (De Minimis Non-audit Services)*, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

As the Company is considered a "Venture Issuer" pursuant to relevant securities legislation, the Company is relying on the exemption in Section 6.1 of NI 52-110, from the requirement of Parts 3 (Composition of

the Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

#### **PRE-APPROVAL POLICIES AND PROCEDURES FOR NON-AUDIT SERVICES**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Company's Audit Committee Charter attached as Schedule "A" to this Information Circular.

#### **EXTERNAL AUDITOR SERVICE FEES**

In the following table, "Audit Fees" are fees billed by the Company's external auditors for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related Fees" are fees not included in audit fees that are billed by the auditors for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax Fees" are billed by the auditors for professional services rendered for tax compliance, tax advice and tax planning. "All Other Fees" are fees billed by the auditors for products and services not included in the foregoing categories.

The fees paid by the Company to its auditors in each of the last two financial years, by category, are as follows:

<i>Financial Year Ended</i>	<i>Audit Fees<sup>(1)</sup></i>	<i>Audit-related Fees<sup>(2)</sup></i>	<i>Tax Fees<sup>(3)</sup></i>	<i>All Other Fees<sup>(4)</sup></i>
June 30, 2023	\$37,451	Nil	\$1,400	Nil
June 30, 2022	\$32,897	Nil	\$1,800	Nil

#### **NOTES:**

- (1) The aggregate audit fees billed.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements that are not included under the heading "Audit Fees".
- (3) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".

## **SECTION 6 - CORPORATE GOVERNANCE**

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### **GENERAL**

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") provides guidelines on corporate governance disclosure for venture issuers as set out in Form 58-101F2 and requires full and complete annual disclosure of a listed company's systems of corporate governance with reference to National Policy 58-201 – *Corporate Governance Guidelines* (the "Guidelines"). Where a company's corporate governance system differs from the Guidelines, each difference and the reason for the difference is required to be disclosed. The Company's approach to corporate governance is provided below.

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices that are both in the interest of its shareholders and contribute to effective and efficient decision making. National Policy 58-201 - *Corporate Governance Guidelines* establishes corporate governance guidelines that apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. NI 58-101 mandates disclosure of corporate governance practices for Venture Issuers in Form 58-101F2, which disclosure is set out below.

### **COMPOSITION OF THE BOARD OF DIRECTORS**

All of the proposed nominees for election as a director at the Meeting are current directors of the Company. Form 58-101F1 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. “Material relationship” is defined as a relationship that could, in the view of the company’s board of directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

Of the proposed nominees, Lance Tracey, who also serves the Company as President and CEO, is an “insider” or management director and, as such, is considered not to be “independent”. Sheri Rempel, who also serves the Company as Chief Financial Officer is an “insider” or management director and, as such is considered not to be “independent”. Timothy Grzyb and Gary Sherlock are considered by the Board to be “independent”, within the meaning of NI 52-110. In assessing Form 58-101F2 and making the foregoing determinations, the circumstances of each director have been examined in relation to a number of factors. It is the objective of the Company to continue to have a majority of independent Board members and enhance the quality of the Company’s corporate governance.

The Company does not currently have a Chair of the Board and, given the current size of the Board, does not consider that a Chair is necessary. The independent directors exercise their responsibilities for independent oversight of management, and are provided with leadership through their positions on the Board. The Board will give consideration to appointing an “independent” member as Chair at such time as it believes that such a position is required.

Management was delegated the responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board facilitates its independent supervision over management through frequent meetings of the Board and by reviewing and approving long-term strategic, business and capital plans, material contracts and business transactions, and all debt and equity financing transactions. Through its audit committee, the Board examines the effectiveness of the Company's internal control processes and management information systems. The Board as a whole reviews executive compensation and recommends stock option grants accordingly.

**MANDATE OF THE BOARD**

The Board is elected by and accountable to the shareholders of the Company. The mandate of the Board is to continually govern the Company and to protect and enhance the assets of the Company in the long-term best interests of the shareholders. The Board will annually assess and approve a strategic plan which takes into account, among other things, the opportunities and the identification of the principal risks of the issuer’s business, and ensuring the implementation of appropriate systems to manage these risks.

**DIRECTORSHIPS IN OTHER PUBLIC COMPANIES**

Certain directors of the Company are currently also directors of other reporting issuers, as described in the table below:

Name of Director	Name of Reporting Issuer or Equivalent	Exchange or Market
Sheri Rempel	Victory Square Technologies Inc.	Canadian Securities Exchange
	Lanebury Growth Capital Ltd.	Canadian Securities Exchange
	XR Immersive Tech Inc.	Canadian Securities Exchange
	LFNT Resources Corp.	Canadian Securities Exchange
	Omega Pacific Resources Inc.	Canadian Securities Exchange
	FintechWerx International Software Services Inc.	Canadian Securities Exchange

**ORIENTATION AND CONTINUING EDUCATION**

New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However, there is no formal orientation for new members of the Board, and this is considered to be

appropriate, given the Company's size and current level of operations. However, if the growth of the Company's operations warrants it, it is likely that a formal orientation process will be implemented.

The skills and knowledge of the Board of Directors as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Company's records. For a description of the current principal occupations of the members of the Company's Board see table in the Section 3 – The Business of the Meeting – Election of Directors.

#### **ETHICAL BUSINESS CONDUCT**

The Board has determined that the fiduciary duties placed on individual directors by the Company's governing corporate legislation, common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest are sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Furthermore, the Board promotes fair dealing with all its stakeholders and requires compliance with the laws of each jurisdiction in which the Company operates.

The Board of Directors is also required to comply with the conflict of interest provisions of the *Business Corporations Act* (British Columbia) and relevant securities regulation in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director is required to declare the nature and extent of his interest and is not entitled to vote on any matter that is the subject of the conflict of interest.

#### **NOMINATION OF DIRECTORS**

The Board as a whole determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the individual Board members, including both formal and informal discussions among Board members and the President and CEO. The current size of the Board is such that the entire Board takes responsibility for selecting new directors and assessing current directors. Proposed directors' credentials are reviewed and discussed amongst the members of the Board prior to the proposed director's nomination.

The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions. The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an *ad hoc* basis.

#### **COMPENSATION OF DIRECTORS AND CHIEF EXECUTIVE OFFICER**

The Company does not currently pay its directors any remuneration for acting as directors and the only compensation for acting as directors received by non-management directors is through the grant of incentive stock options. The quantity and quality of the Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current Board compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company. The number of options to be granted to any director or officer is determined by the Board as a whole, thereby providing the independent directors with significant input into compensation decisions. Stock options to be granted to "management" directors are required, as a matter of board practice, to be reviewed and approved by the "non-management" directors. Given the current size and limited scope of operations of the Company, the Board does not believe that a formal compensation committee is required. At such time as, in the opinion of the Board, the size and activities of the Company and the number of management employees warrants it, the Board will consider it necessary to appoint a formal compensation committee. See Section 4 – Statement of Executive Compensation – Director and NEO Compensation.

#### **COMMITTEES OF THE BOARD OF DIRECTORS**

The Company has no other committees other than the Audit Committee.

## **ASSESSMENTS**

The Board has not, as yet, established procedures to formally review the contributions of individual directors. At this point, the directors believe that the Board's current size facilitates informal discussion and evaluation of members' contributions within that framework.

## **SECTION 7 - OTHER INFORMATION**

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

Since the beginning of the most recently completed financial year ended **June 30, 2023**, and as at the date of this Information Circular, no director, executive officer or employee or former director, executive officer or employee of the Company, nor any nominee for election as a director of the Company, nor any associate of any such person, was indebted to the Company for other than "routine indebtedness", as that term is defined by applicable securities legislation; nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

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

Other than as set forth in this Information Circular, no person who has been a director or executive officer of the Company at any time since the beginning of the last financial year, ended **June 30, 2023**, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors or the appointment of auditors.

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

Applicable securities legislation defines "*informed person*" to mean any of the following: (a) a director or executive officer of a reporting issuer; (b) a director or officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; (c) any person or company who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities. Except as otherwise disclosed herein, no informed persons had (or has) any interest in any transaction with the Company since the commencement of our most recently completed financial year ended **June 30, 2023**, or in any proposed transaction, that has materially affected the Company or is likely to do so.

### **MANAGEMENT CONTRACTS**

Except as disclosed under Section 4 – Executive Compensation, the Company has no management agreements or arrangements under which the management functions of the Company are performed other than by the Company's directors and executive officers.

### **CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS**

For purposes of the disclosure in this section, an "order" means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days; and for purposes of item (a)(i) below, specifically includes a management cease trade order which applies to directors or executive officers of a relevant company that was in effect for a period of more than 30 consecutive days whether or not the proposed director was named in the order.

Except as disclosed below, none of the proposed directors, including any personal holding company of a proposed director:

- (a) is, as at the date of this Information Circular, or has been, within the 10 years before the date of

this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- i was subject to an order that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or
  - ii 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 a director, chief executive officer or chief financial officer of the company; or
- (b) is, as at the date of this Information Circular, or has been, within the 10 years before the date of this Information 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;
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000, or before December 31, 2000, if the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director, or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Sheri Rempel is the CFO of Victory Square Technologies Inc. (CSE: VST) ("VST"), which was subject to a cease trade order ("CTO") issued by the British Columbia Securities Commission ("BCSC") and Ontario Securities Commission ("OSC") on August 6, 2019 for failure to file its annual audited financial statements and management's discussion and analysis for the year ended December 31, 2018, and interim financial statements and management's discussion and analysis for the period ended March 31, 2019 within the prescribed time period (collectively, the "Financial Materials 2018"). VST filed the Financial Materials 2018 with the applicable securities commissions and the CTO was lifted by both the BCSC and OSC on August 22, 2019 and commenced trading on August 26, 2019.

Sheri Rempel is the CFO and director of the Company, which was subject to a management cease trade order ("Lanebury MCTO") issued by the BCSC on October 30, 2019, for delay in release of the Company's audited annual financial statements and accompanying management's discussion the Company analysis for the fiscal year ended June 30, 2019 (the "Annual Filings"). Subsequently, the Company announced there was a delay in filing of its interim financial statements and accompanying management's discussion and analysis for the three-month period ended September 30, 2019 ("Quarterly Filings"). The Annual Filings were filed on December 20, 2019, and the Quarterly Filings were filed on December 23, 2019, and Lanebury MCTO was subsequently revoked on December 27, 2019.

Sheri Rempel is the CFO of VST, which was subject to a management cease trade order ("VST MCTO") issued by the BCSC and OSC on May 2, 2022 for delay in release of the VST's annual audited financial statements and management's discussion and analysis for the year ended December 31, 2021 ("Annual Filings 2021"), and subsequently, interim financial statements and management's discussion and analysis for the period ended March 31, 2021 ("Quarterly Filings 2021") within the prescribed time period. VST filed the Annual Filings 2021 on June 3, 2022 and Quarterly Filings 2021 on June 6, 2022 with the applicable securities commissions and the VST MCTO was lifted by both the BCSC and OSC on June 7, 2022.

**ADDITIONAL INFORMATION**

Financial information about the Company is included in the Company's financial statements and Management's Discussion and Analysis for the financial year ended **June 30, 2023**, which have been electronically filed with regulators and are available through the Internet on the Canadian SEDAR ([www.sedarplus.ca](http://www.sedarplus.ca)). Copies may be obtained without charge upon request to the Company at 750 West Pender Street, Suite 401, Vancouver, British Columbia V6C 2T7. You may also access the Company's public disclosure documents through the Internet on SEDAR at ([www.sedarplus.ca](http://www.sedarplus.ca)).

**DIRECTOR APPROVAL**

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

**Dated** at Vancouver, British Columbia, this **5<sup>th</sup> day of April 2024**.

**BY ORDER OF THE BOARD**

*/s/ "Lance Tracey"*

Lance Tracey

Chief Executive Officer, President and Director

## **SCHEDULE “A” AUDIT COMMITTEE CHARTER**

### **MANDATE**

The purpose of the Audit Committee is to assist the Board of Directors' oversight of (a) the integrity of the Company's financial statements, (b) the Company's compliance with legal and regulatory requirements, (c) the independent auditor's qualifications and independence and (d) the performance of the Company's audit. The Audit Committee will also supervise the preparation of all reports, including reports to shareholders, required under applicable law.

In performing its duties, the Audit Committee will maintain effective working relationships with the Board of directors, management, and the external auditors. To effectively perform his or her role, each Audit Committee member will obtain an understanding of the detailed responsibilities of Audit Committee membership as well as the Company's business, operations and risks.

### **MEMBERSHIP**

The Audit Committee will consist of at least three directors appointed by the Board. The membership of the Audit Committee will be guided by the applicable law and corporate governance recommendations of National Instrument 52–110 and any successors (NI).

#### ***Independence***

No director who is an employee of the Company or any of its subsidiaries, affiliates or auditors may serve on the Audit Committee until three years after the termination of his or her employment. All members of the Audit Committee must satisfy the definition of independence contained in the NI.

#### ***Expertise of Audit Committee Members***

Each member of the Audit Committee must be, or will become within a reasonable period of time after appointment, financially literate. At least one member of the Audit Committee will have accounting or related financial management expertise. The Board of Directors will interpret the qualifications of financial literacy and financial management expertise in its business judgement within the guidance provided by the NI and will determine whether a director meets these qualifications.

### **MEETINGS**

The Audit Committee will meet in accordance with a schedule established each year by the Board, and at other times as determined by the Audit Committee. The Audit Committee will meet at least quarterly with the Company's management and with internal auditors (or those personnel responsible for the internal audit) and, at least annually, with the external auditor in separate executive sessions. A quorum of the Audit Committee is the attendance in person or by teleconference of at least two thirds of the members of the Audit Committee; where two thirds does not result in a whole number, the resulting number shall be rounded up to the next whole number.

### **ROLES AND RESPONSIBILITIES**

#### ***Internal Control***

- Oversee, in consultation with the external auditors, the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company;



- Ensure that the external auditors keep the Audit Committee informed about fraud, illegal acts, deficiencies in internal control and certain other matters;
- Review and approve any related party transactions;
- Review, as and when appropriate, whether management is setting the appropriate tone through its communication to company employees on the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- Consider the extent to which internal (if any) and external auditors should review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of a systems breakdown; and
- Gain an understanding of the extent to which internal control recommendations made by external auditors have been implemented by management.

### ***Financial Reporting***

#### General

- Review significant accounting and reporting issues, with particular note regarding the process for identifying the principal risks to accuracy of financial reporting and any changes of a material nature to the characterization of entries and accounts;
- Ensure that the Audit Committee reviews and, where appropriate, recommends approval to the Board of all press releases relating to financial information such as financial statements and the Management Discussion and Analysis, projections or material otherwise involving information derived from the financial reports or the analytic reporting thereof, as well as financial information and guidance provided to analysts and rating agencies;
- Review with the external auditors their proposed audit adjustments and any audit problems or difficulties and management's response thereto;
- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements and critical accounting policies, and understand their impact on the financial statements;
- Ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and
- Ensure that disclosure in the Management Discussion & Analysis is balanced and fully responsive.

### ***Annual and Interim Financial Statements***

- Review the financial statements and determine whether they are complete and consistent with the information known to the Audit Committee members, and assess whether the financial statements reflect appropriate accounting principles;
- Meet with management and the external auditors to review the annual financial statements and the results of the audit;
- Meet with management and, if necessary, the external auditors to review the interim financial statements;
- Review the annual and interim financial statements as the case may be and make recommendations thereon to the Board;

- Pay particular attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- Focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses, warranty, professional liability, litigation reserves, and other commitments and contingencies;
- Periodically obtain explanations from management on whether:
  - Actual financial results for a period varied significantly from budgeted or projected results;
  - Changes in financial ratios and relationships in the financial statements are consistent with changes in the Company's operations and financing practices;
  - Generally accepted accounting principles have been consistently applied;
  - There are any actual or proposed changes in accounting or financial reporting practices;
  - There are any significant or unusual events or transactions;
  - The Company's financial and operating controls are operating effectively;
  - The Company has complied with the terms of loan agreements or security indentures;
- Understand how management develops and summarizes quarterly financial information and the extent to which the external auditors review quarterly financial information; and
- Ensure appropriate review of accounting practices that relate to transfer pricing.

#### ***External Auditors***

- Review the external auditor's proposed audit scope and approach;
- Oversee the work of the external auditors;
- Review with the external auditor the quality, not just the acceptability, of the Company's accounting principles as applied to critical accounting policies and practices, alternative treatments of financial information that have been discussed with management and any other material communications with management;
- Review and confirm the independence of the external auditors, including a review of the cost and nature of all non-audit services provided, all relationships between the Company and themselves and the auditors' assertion of their independence in accordance with professional standards;
- Establish hiring policies for partners and employees or former partners and employees of the present and any former external auditors;
- Retain and terminate the external auditor (subject to any applicable Board or shareholder approvals) and recommend to the Board the compensation for the external auditors;
- Pre-approve all non-audit services provided by the external auditor in excess of 5% of the annual billings by the auditor to the Company. Pre-approval requirements may be met where the Committee establishes detailed policies as to each service to be preapproved and the Committee is informed of such services at its next meeting. The Audit Committee may delegate this authority to one of the committee members, but not to management, provided the non-audit services in question are presented to the Committee at its next meeting;
- Have the external auditor provide the Audit Committee with a summary of any investigation by governmental or professional authorities within the preceding five years, respecting any

audits of the Company carried out by the external auditor, and any steps taken to deal with any issues raised by the inquiry or investigation; and

- If conducted, have the external auditor advise the Audit Committee on the results of any quality- control review or peer review of the audit of the Company.
- If conducted, have the external auditor advise the Audit Committee on the results of any quality- control review or peer review of the audit of the Company.

#### ***Other Responsibilities***

- Ensure that significant findings and recommendations made by management or the external auditors are received and discussed on a timely basis;
- If necessary, review the policies and procedures in effect for considering officers' expenses and perquisites;
- Perform other oversight functions as requested by the full Board, such as appropriateness of staff and systems in the financial department;
- Establish procedures for the receipt, retention and treatment of complaints and the confidential anonymous submission by employees of concerns about accounting, internal accounting controls or audit matters;
- Meet periodically with management to review the Company's major financial risk exposures and to review relevant insurance coverage; and
- Review and update this Charter, subject to the approval of the Board.

#### ***Reporting Responsibilities***

- Regularly update the Board of Directors about Audit Committee activities and make appropriate recommendations; and
- Maintain minutes of all meetings.

#### ***Compliance with Laws and Regulations***

- Periodically obtain updates from management regarding material compliance with applicable laws and regulations;
- Review, with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statement;
- Be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- Review the findings of any examinations by regulatory agencies such as the British Columbia Securities Commission.

#### **RESOURCES AND AUTHORITY OF THE AUDIT COMMITTEE**

The Audit Committee has the authority, and will be provided with all resources that it reasonably requires, to discharge its responsibilities. The Audit Committee may, as appropriate, engage at the expense of the Company outside auditors, independent legal counsel, and other experts or consultants for compensation that the Audit Committee deems appropriate. The Audit Committee may communicate directly with the internal or external auditors.