



## infinitii ai inc.

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### INFORMATION CIRCULAR as at November 2, 2023

#### INTRODUCTION

This information circular (the “**Information Circular**”) accompanies the notice of annual general meeting of shareholders (the “**Notice**”) of infinitii ai inc. (the “**Company**”) and is furnished to holders of common shares (each, a “**Share**”) in the capital of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the annual general meeting (the “**Meeting**”) of the shareholders of the Company (the “**Shareholders**”) to be held at 10:00 a.m. (Pacific Standard Time) on Wednesday, November 29, 2023 or at any adjournment or postponement thereof.

#### MEETING FORMAT

In order to mitigate risks to the health and safety of our communities, Shareholders and other stakeholders related to the COVID-19 pandemic, unless we advise otherwise by way of news release, **the Meeting will be held in virtual-only format. Shareholders will not be able to attend the Meeting in person and the Company will not permit in-person voting at the Meeting. The Company encourages registered shareholders to vote by Proxy in advance of the Meeting in order to have their votes counted. Registered Shareholders may also vote at the Meeting by contacting the Company as set out below. Beneficial Shareholders must complete and submit the VIF that they receive with this Information Circular in advance of the Meeting in order to have their votes counted.** Shareholders may attend the Meeting remotely by contacting the Company by email at [cale@infinitii.ai](mailto:cale@infinitii.ai) or by telephone at (604) 209-0034 at least 48 hours before the time and date of the Meeting to obtain a web link that will permit them to attend the Meeting by video conference.

## DATE AND CURRENCY

The date of this Information Circular is November 2, 2023. Unless otherwise stated, all amounts herein are in Canadian dollars.

## SOLICITATION OF PROXIES

The solicitation will be made by mail and may also be supplemented by telephone or other personal contact to be made without special compensation by directors, officers and employees of the Company. The Company will bear the cost of this solicitation. The Company will not reimburse Shareholders, nominees or agents for the cost 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 related proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses.

## APPOINTMENT AND REVOCATION OF PROXY

### Registered Shareholders

**If you are a Registered Shareholder and wish to have your shares voted at the Meeting, the Company encourages you to submit your vote by proxy. Registered Shareholders may also vote at the Meeting by contacting the Company as set out below.** Registered Shareholders may vote by proxy by mail, by telephone or via the Internet by following instructions provided in the form of proxy, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting.

The persons named in the enclosed proxy (the “**Designated Persons**”) are directors and officers of the Company and are proxyholders nominated by management. **A Shareholder has the right to appoint a person other than the Designated Persons named in the enclosed instrument of proxy to represent the Shareholder at the Meeting. To exercise this right, a Shareholder must insert the name of its nominee in the blank space provided. A person appointed as a proxyholder need not be a Shareholder of the Company.**

Proxyholders other than the Designated Persons will be required to identify themselves by notice in writing to the Company by 10:00 a.m. (Vancouver time) on Monday, November 27, 2023 so that the Company can confirm their identity prior to the Meeting and facilitate their voting of the Proxies that they hold at the Meeting. Notice may be provided by mail to infinitii ai inc. at Suite 1500, 409 Granville Street, Vancouver, British Columbia, Canada V6C 1T2 or email to cale@infinitii.ai. Proxies will not be accepted at the Meeting. All Proxies must be submitted to Computershare by 10:00 a.m. (Vancouver time) on Monday, November 27, 2023 (the “**Proxy Deadline**”).

A Registered Shareholder may revoke a proxy by:

- (a) signing a proxy with a later date and delivering it at the place and within the time noted above;
- (b) signing and dating a written notice of revocation and delivering it to the Company at the address set forth above at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or
- (c) in any other manner provided by law.

### Beneficial Shareholders

**The information set forth in this section is of significant importance to many Shareholders, as many Shareholders do not hold their Shares in their own name.** Shareholders holding their Shares through banks, trust companies, securities dealers or brokers, trustees or administrators of RRSPs, RRIFs, RESPs and similar plans or other persons (any one of which is herein referred to as an “**Intermediary**”) or otherwise not in their own name (such Shareholders herein referred to as “**Beneficial Shareholders**”) should note that only proxies deposited by Shareholders appearing on the records maintained by the Company’s transfer agent as Registered Shareholders will be recognized and allowed to vote at the Meeting. If a Shareholder’s Shares are listed in an account statement provided to the Shareholder by a broker, in all likelihood those Shares are **not** registered in the Shareholder’s name and that Shareholder is a Beneficial Shareholder. Such Shares are most likely registered in the name of the Shareholder’s broker or an agent of that broker. In Canada the vast majority of such Shares are registered under the name of CDS & Co., the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms. Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted at the Meeting at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholder meetings. Beneficial Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to the Company (such Beneficial Shareholders are designated as non-objecting beneficial owners, or “**NOBOs**”) or objecting to their Intermediary disclosing ownership information about themselves to the Company (such Beneficial Shareholders are designated as objecting beneficial owners, or “**OBOs**”).

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the notice of meeting, this Information Circular and a request for voting instructions (a “VIF”), instead of a proxy (the notice of Meeting, Information Circular and VIF or proxy are collectively referred to as the “**Meeting Materials**”) indirectly through Intermediaries to the NOBOs and OBOs. The management of the Company does not intend to pay for Intermediaries to forward the Meeting Materials to OBOs. OBOs will not receive the Meeting Materials unless their Intermediaries assume the cost of delivery.

Meeting Materials sent to Beneficial Shareholders are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Intermediary (or other Registered Shareholder) how to vote the Beneficial Shareholder’s Shares on the Beneficial Shareholder’s behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Investor Communication Solutions (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote Shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Shares voted. If you have any questions respecting the voting of Shares held through an Intermediary, please contact that Intermediary for assistance.

The purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Shares which they beneficially own. **A Beneficial Shareholder receiving a VIF cannot use that form to vote Shares directly at the Meeting - Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the Meeting as a proxyholder provide that they register in advance with the Company as described in the “Registered Shareholders” section above.

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

## VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder. If the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

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

If any amendments or variations to such matters, or any other matters, are properly brought before the Meeting, the proxyholder, if a nominee of management, will exercise its discretion and vote on such matters in accordance with its best judgment.

At the time of printing this Information Circular, management of the Company is not aware that any amendments or variations to existing matters or new matters are to be presented for action at the Meeting.

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

Except as disclosed herein, the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors:

- (a) each person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year;
- (b) each proposed nominee for election as a director of the Company; and
- (c) each associate or affiliate of any of the foregoing.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Company consists of an unlimited number of Shares. As of the record date, determined by the Company's board of directors (the "**Board**") to be the closing of business on October 25, 2023 (the "**Record Date**"), a total of 126,424,783 Shares were issued and outstanding. All Shares are of the same class and each carries the right to one vote. Only those Shareholders of record on the Record Date are entitled to attend and vote at the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company, other than as set forth below:

Name of Shareholder	Number of Securities Beneficially Owned, Controlled or Directed, Directly or Indirectly	Percentage of Class of Outstanding Voting Securities <sup>(1)</sup>
Sheldon Inwentash	29,169,136 <sup>(2)(3)(4)</sup>	21.1%

- (1) Based on 126,424,783 Shares issued and outstanding as of October 31, 2023 plus the exercise of all warrants and conversion of all convertible debt and resulting warrants held by the Shareholder.
- (2) Includes 17,659,000 Shares registered in the name of ThreeD Capital Inc. (“ThreeD”). ThreeD is wholly owned and controlled by Sheldon Inwentash and Mr. Inwentash is the beneficial owner of all of the securities of the Company owned by ThreeD.
- (3) Includes 1,000,000 share purchase options, each of which is exercisable into one Share at a price of \$0.10 per Share until March 20, 2028.
- (4) Includes 10,510,136 Shares which may be obtained through the conversion of convertible debt along with any resulting warrants.

## PRESENTATION OF FINANCIAL STATEMENTS

The annual financial statements of the Company for the financial year ended June 30, 2023, together with the auditor’s reports thereon, will be placed before the Meeting. The Company’s financial statements are available on the System of Electronic Document Analysis and Retrieval (“SEDAR”) website at [www.sedarplus.ca](http://www.sedarplus.ca).

## NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at five (5). An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

**Management recommends the approval of setting the number of directors of the Company at five (5).**

## ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the Shareholders or until their successors are elected. The management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, proxies given pursuant to the solicitation by the management of the Company will be voted for the nominees listed in this Information Circular. **Management does not contemplate that any of the nominees will be unable to serve as a director. If any vacancies occur in the slate of nominees listed below before the Meeting, management will exercise discretion to vote the proxy for the election of any other person or persons as directors.**

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of Shares of the Company and its subsidiaries which each

beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of the notice of meeting:

Name, Province and Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods which Nominee has Served as a Director	Number of Shares Owned <sup>(1)</sup>
Jean Charles Phaneuf <sup>(3)</sup> Director and CEO Quebec, Canada	Chief Executive Officer and a director of the Company; Former Chief Executive Officer and a director of Quantum Numbers Corp Inc. from January 2017 to July 2020.	July 19, 2021 to present	7,035,000 <sup>(5)</sup>
Chris Johnston <sup>(2)(4)</sup> Director and Chairman of the Board British Columbia, Canada	Director of the Company; Professional Civil Engineer and Vice President with Kerr Wood Leidal Associates Ltd. Since May 1988, a consulting engineering company; former director of infinitii ai corporation (formerly FlowWorks Inc.) prior to its acquisition by the Company in 2015.	October 13, 2015 to present	1,597,410 <sup>(6)</sup>
Rick Sanderson <sup>(2)(3)(4)</sup> Director British Columbia, Canada	Director of the Company; founder, owner, operator at Federation Marketing Services from March 2017 to present.	June 29, 2015 to present	1,094,800 <sup>(7)</sup>
Kevin Ma <sup>(2)(4)</sup> Director British Columbia, Canada	Chief Financial Officer of the Company from October 2015 to June 2017; Director of the Company from June 2017 to present; Mr. Ma is a partner and co-founder at Calibre Capital Partners Corp., a corporate finance and advisory firm. Mr. Ma currently serves as officer and/or director of several publicly listed and private companies under Calibre Capital's portfolio of clients.	June 21, 2017 to present	1,161,768 <sup>(8)</sup>
Vikas Ranjan <sup>(3)</sup> Director Toronto, Ontario	Partner, Principle Capital Partners Corp. from 2015 to present.	August 27, 2019 to present	619,100 <sup>(9)</sup>

<sup>(1)</sup> Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at October 31, 2023, based upon information furnished to the Company by the individual directors. Options, warrants or other convertible securities currently exercisable or convertible, or exercisable or convertible within 60 days, are counted as outstanding for computing the percentage of the person holding such options, warrants or other convertible securities, but are not counted as outstanding for computing the percentage of any other person.

<sup>(2)</sup> Member of the audit committee.

<sup>(3)</sup> Member of the compensation committee.

<sup>(4)</sup> Member of the disclosure committee.

<sup>(5)</sup> This is composed of 450,000 Shares which are registered in the name of 9299-5257 Quebec Inc., a company owned by Jean Charles Phaneuf, 810,000 deferred share units granted by the Company and options to purchase 5,775,000 Shares, at a price of \$0.10 per Share until March 20, 2028.

<sup>(6)</sup> This is composed of 666,410 Shares and 931,000 deferred share units granted by the Company.

<sup>(7)</sup> This is composed of 163,800 Shares and 931,000 deferred share units granted by the Company.

- (8) This is composed of 230,768 Shares registered in the name of KGSK CAPITAL MANAGEMENT CORP., a company owned by Kevin Ma, and 931,000 deferred share units granted by the Company.
- (9) This is composed of 277,000 deferred share units granted by the Company and 342,100 Shares, 92,100 of which are registered in the name of 2286252 Ontario Inc., a company wholly owned by Vikas Ranjan.

At the Meeting, Shareholders will be asked to pass an ordinary resolution to elect the nominees listed above as directors of the Company. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

**Management recommends the Shareholders to elect each of the nominees listed above as a director of the Company.**

### **Management Cease Trade Orders**

On October 1, 2019, The British Columbia Securities Commission (the “**BCSC**”), as principal regulator, issued a management cease-trade order (the “**Chakana MCTO**”) against Chakana Copper Corp. (“**Chakana**”) in connection with the late filing of Chakana’s annual financial statements, management’s discussion and analysis and officer’s certification for the year ended May 31, 2019. The Chakana MCTO was revoked on November 19, 2019 in connection with the completion of the annual filings. Mr. Kevin Ma was the Chief Financial Officer at the time of the issuance of the Chakana MCTO.

On June 16, 2020, the BCSC, as principal regulator, issued a management cease-trade order (the “**Netcoins MCTO**”) against Netcoins Holdings Inc. (“**Netcoins Holdings**”) in connection with the late filing of Netcoins Holdings’ annual financial statements, management’s discussion and analysis and officer’s certification for the year ended December 31, 2019. The Netcoins MCTO was revoked on July 16, 2020 in connection with the completion of the annual filings. Mr. Kevin Ma was the Chief Financial Officer at the time of the issuance of the Netcoins MCTO.

On May 7, 2019, a cease trade order was issued against Gravitas Financial Inc. (“**Gravitas**”) by the Ontario Securities Commission because of the Company’s failure to file annual financial statements for the financial year ended December 31, 2018, together with the related MD&A and officer certifications (the “2018 Annual Filings”). The cease trade order was removed in connection with the completion of the filing. Mr. Ranjan was the President and Chief Executive Officer of the Company at the time.

Vikas Ranjan was a director and the President of New Frontiers Ventures Inc. (formerly Gravitas Financial Inc.) (“**Gravitas**”) when the Ontario Securities Commission (the “**OSC**”) issued a cease trade order against Gravitas on May 6, 2019 for failing to file its annual financial statements, management’s discussion and analysis and related certificates for the year ended December 31, 2018. Gravitas filed its annual financial statements, management’s discussion and analysis and related certificates for the year ended December 31, 2018 on May 21, 2019 and the cease trade order was revoked by the OSC on May 22, 2019. Mr. Ranjan also held these positions when the OSC issued a cease trade order against Gravitas on June 5, 2019 for its failure to file its interim financial statements, management’s discussion and analysis and related certificates for the period ended March 31, 2019. Gravitas filed its interim financial statements, management’s discussion and analysis and related certificates for the period ended March 31, 2019 on June 24, 2019 and the OSC revoked the cease trade order on June 26, 2019.



Other than noted above, no proposed director of the Company;

- (a) is, as at the date of this Information Circular, or has been, within 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 the subject:
    - (A) of a cease trade order;
    - (B) an order similar to a cease trade order; or
    - (C) an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days,  
  
that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or
  - (ii) was subject to:
    - (A) a cease trade order;
    - (B) an order similar to a cease trade order; or
    - (C) an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days,  
  
that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is, as at the date of this Information Circular, or has been within 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; or

- (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 securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director.

## **APPOINTMENT OF AUDITOR**

At the Meeting, Shareholders will be asked to pass an ordinary resolution to appoint Baker Tilly WM LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending June 30, 2024 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending June 30, 2024. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Baker Tilly WM LLP was first appointed auditor of the Company on May 15, 2014.

**Management recommends the Shareholders to vote in favour of appointing Baker Tilly WM LLP, Chartered Professional Accountants, as the auditors of the Company and authorizing the directors of the Company to fix the remuneration to be paid to the auditors.**

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **General**

For the purpose of this Information Circular:

“**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

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

- (a) each individual who served as chief executive officer (“**CEO**”) of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer (“**CFO**”) of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and

- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

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

The following table sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO in the two most recently completed financial years ended June 30, 2023 and June 30, 2022:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites <sup>(1)</sup> (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Jean Charles Phaneuf <sup>(2)</sup> CEO and Director	2023	180,000 <sup>(3)</sup>	Nil	Nil	Nil	Nil	180,000
	2022	180,000 <sup>(3)</sup>	Nil	Nil	Nil	Nil	180,000
Greg Johnston <sup>(4)</sup> President, Former CEO and Former Director	2023	160,000 <sup>(5)</sup>	Nil	Nil	Nil	Nil	160,000
	2022	160,000 <sup>(5)</sup>	Nil	Nil	Nil	Nil	160,000
Cale Thomas <sup>(6)</sup> CFO	2023	120,000	Nil	Nil	Nil	Nil	120,000
	2022	120,000	Nil	Nil	Nil	Nil	120,000
Kevin Ma <sup>(7)</sup> Director and Former CFO	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Rick Sanderson <sup>(8)</sup> Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Chris Johnston <sup>(9)</sup> Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Vikas Ranjan <sup>(10)</sup> Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

<sup>(1)</sup> "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.

<sup>(2)</sup> Jean Charles Phaneuf has been CEO of the Company since January 8, 2021 and a director of the Company since July 19, 2021.

<sup>(3)</sup> These fees were paid to 9299-5257 Quebec Inc., a company wholly owned by Jean Charles Phaneuf for his services.

<sup>(4)</sup> Greg Johnston was a director of the Company from May 30, 2014 to July 19, 2021, CEO from February 25, 2015 to January 8, 2021 and President since February 25, 2015.

<sup>(5)</sup> This represents consulting fees paid to BDirect Online Communications Inc., a company owned by Mr. Johnston as compensation for Mr. Johnston's services as President and CEO of the Company.

<sup>(6)</sup> Cale Thomas was a director of the Company from January 17, 2014 to June 29, 2015 and the CFO from January 17, 2014 to October 20, 2015. He was again appointed CFO of the Company on February 11, 2019.

<sup>(7)</sup> Kevin Ma was the CFO of the Company from October 20, 2015 to June 21, 2017 and has been a director of the Company since June 21, 2017.

<sup>(8)</sup> Rick Sanderson has been a director of the Company since June 29, 2015.

<sup>(9)</sup> Chris Johnston has been a director of the Company since October 13, 2015.

<sup>(10)</sup> Vikas Ranjan has been a director of the Company since August 27, 2019.

## Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company or any subsidiary thereof in the financial year ended June 30, 2023 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at Year End (\$)	Expiry Date
Jean Charles Phaneuf <i>CEO and Director</i>	Stock Options	5,775,000	Mar. 20, 2023	0.10	0.065	0.06	Mar. 20, 2028
	Deferred Share Units	810,000	Mar. 20, 2023	N/A	0.065	0.06	N/A
Greg Johnston <i>President, Former CEO and Former Director</i>	Stock Options	1,200,000	Mar. 20, 2023	0.10	0.065	0.06	Mar. 20, 2028
Cale Thomas <i>CFO</i>	Stock Options	760,000	Mar. 20, 2023	0.10	0.065	0.06	Mar. 20, 2028
Kevin Ma <i>Director and former CFO</i>	Deferred Share Units	611,000	Mar. 20, 2023	N/A	0.065	0.06	N/A
	Deferred Share Units	320,000	May 30, 2023	N/A	0.06	0.06	N/A
Rick Sanderson <i>Director</i>	Deferred Share Units	611,000	Mar. 20, 2023	N/A	0.065	0.06	N/A
	Deferred Share Units	320,000	May 30, 2023	N/A	0.06	0.06	N/A
Chris Johnston <i>Director</i>	Deferred Share Units	611,000	Mar. 20, 2023	N/A	0.065	0.06	N/A
	Deferred Share Units	32,000	May 30, 2023	N/A	0.06	0.06	N/A
Vikas Ranjan <i>Director</i>	Deferred Share Units	277,000	Mar. 20, 2023	0.10	0.065	0.06	N/A

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

There were no exercises of compensation securities by any director or NEO in the financial year ended June 30, 2023, and no director or NEO holds any other compensation security other than those listed above.

## Stock Option Plans and Other Incentive Plans

The Company's current Omnibus Equity Incentive Plan (the "Incentive Plan"), which was approved by Shareholders on November 24, 2022, is a "rolling" equity incentive plan, whereby

the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed twenty percent (20%) of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. The Incentive Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, Restricted Share Units, Performance Share Units, Deferred Share Units or options to purchase Shares. As at the date hereof, there are 18,370,000 options and 4,720,000 Deferred Share Units outstanding under the Incentive Plan.

Under the Incentive Plan, the Board may from time-to-time grant to directors, senior officers, employees and consultants of the Company, as the Board shall designate, options to purchase from the Company such number of its Shares as the Board shall designate. All of the awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Board. In addition, subject to the limitations provided in the Plan and in accordance with applicable law, the Board may accelerate or defer the vesting or payment of awards, cancel or modify outstanding awards, and waive any condition imposed with respect to awards or Shares issued pursuant to awards.

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

Other than as described below, the Company is not party to any formal, written employment, consulting or management agreements with any NEO or director.

Pursuant to an Executive Consulting Agreement (the “**CEO Consulting Agreement**”) with an effective date of January 2, 2021, between the Company and 9299-5257 Quebec Inc., a company owned by Jean Charles Phaneuf, the CEO of the Company, 9299-5257 Quebec Inc. is paid a monthly consulting fee of \$15,000. The CEO Consulting Agreement provides for a 30-day termination with payment of twelve times the monthly consulting fee on termination. The CEO Consulting Agreement also provides for a \$30,000 signing bonus, a \$25,000 financing bonus and an annual bonus of up to 30% of the total of 12 times the monthly fee.

Pursuant to a Technical and Executive Services Agreement (the “**President Services Agreement**”) dated July 1, 2019, between the Company and Greg Johnston, the President, former CEO and former director of the Company, Mr. Johnston is paid a monthly salary of \$13,333.33. The President Services Agreement provides for a 30-day termination with payment of twelve times the monthly salary to Mr. Johnston on termination.

Pursuant to an Executive Consulting Agreement (the “**CFO Consulting Agreement**”) with an effective date of July 1, 2019, between the Company and Cale Thomas, the CFO of the Company, Mr. Thomas was paid a monthly consulting fee of \$6,000. The CFO Consulting Agreement provided for a 30-day termination with payment of twelve times the monthly consulting fee to Mr. Thomas on termination. On July 1, 2020 the Company entered into an amendment to this agreement which increased the monthly consulting fee to \$10,000 and reduced the termination payment to six times the monthly consulting fee.

## **Oversight and Description of Director and NEO Compensation**

The Board has a compensation committee (the “**Compensation Committee**”) consisting of Jean Charles Phaneuf, Vikas Ranjan and Rick Sanderson to undertake all tasks related to developing and monitoring the Company’s approach to the compensation of the Company’s NEOs and directors and making recommendations to the Board. The compensation of the NEOs, directors and the Company’s employees or consultants, if any, is reviewed, recommended and approved by the compensation committee and the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussions relating to compensation, but disclose their interest in, and abstain from voting on, decisions relating to their respective compensation.

The overall objective of the Company’s compensation strategy is to offer short, medium and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest calibre, and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the CEO, if any, in this regard. The Company currently has a short-term compensation component in place, which includes the accrual and/or payment of management fees to certain NEOs, and a long-term compensation component in place, which may include the grant of stock options under the Plan. The Company intends to further develop these compensation components. Although it has not to date, the Board may in the future consider, on an annual basis, an expansion of awards of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the position of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium-term compensation component.

The objectives of the Company’s compensation policies and procedures are to align the interests of the Company’s employees with the interests of the Shareholders. Therefore, a significant portion of total compensation granted by the Company, being the grant of stock options, is based upon overall corporate performance. The Company relies on Board discussion without formal objectives, criteria and analysis, when determining executive compensation. There are currently no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

### **Pension Plan Benefits**

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

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER INCENTIVE PLAN

The following table sets out, as of the end of the most recently completed financial year, all required information with respect to compensation plans under which equity securities of the Company are authorized for issuance:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding deferred Share units, options, warrants and rights<sup>(1)</sup></b> <b>(a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b> <b>(b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b> <b>(c)</b>
Equity compensation plans approved by securityholders	23,090,000	\$0.11	2,194,957 <sup>(2)</sup>
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
<b>Total</b>	<b>23,090,000</b>	<b>\$0.11</b>	<b>2,194,957</b>

<sup>(1)</sup> The Company does not have any warrants or rights outstanding under any equity compensation plans.

<sup>(2)</sup> The Plan is a rolling stock option plan under which the Company can issue such number of options or share units as is equal to 20% of the Company's issued and outstanding Shares from time to time. As of June 30, 2023, there were 126,424,783 Shares outstanding and the Company could issue up to 25,284,956 options or share units to acquire Shares on such date.

## CORPORATE GOVERNANCE

### *Board of Directors*

The Board presently has five directors, three of whom are independent. The definition of independence used by the Company is that used by the Canadian Securities Administrators, which is set out in Section 1.4 of National Instrument 52-110 *Audit Committees* ("NI 52-110"). A director is independent if he has no direct or indirect material relationship to the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director's independent judgment. Certain types of relationships are by their nature considered to be material relationships and are specified in Section 1.4 of NI 52-110.

Rick Sanderson, Kevin Ma and Vikas Ranjan are considered to be independent directors. Jean Charles Phaneuf is not considered to be independent as he is the CEO of the Company. Chris Johnston is not considered to be independent as he is the brother of Greg Johnston, President of the Company.

The Board believes that the principal objective of the Company is to generate economic returns with the goal of maximizing Shareholder value, and that this is to be accomplished by the Board through its stewardship of the Company. In fulfilling its stewardship function, the Board's responsibilities include strategic planning, appointing and overseeing management, succession planning, risk identification and overseeing financial and corporate issues. Directors are involved in the supervision of management.

The Company has not developed written position descriptions for the CEO and the CFO. Pursuant to the *Business Corporations Act* (British Columbia), directors must declare any interest in a material contract or transaction or a proposed material contract or transaction. Further, the independent members of the Board meet independently of management members when warranted. During the most recently completed financial year, the Board met 7 times and all members of the Board were in attendance at each meeting except for one meeting and the independent directors did not meet without the non-independent members of the Board in attendance.

### *Other Directorships*

The directors of the Company are also directors of the following other reporting issuers:

<b>Current Director / Nominee</b>	<b>Other Directorships of other Reporting Issuers</b>
Jean Charles Phaneuf	None
Chris Johnston	None
Rick Sanderson	None
Kevin Ma	Green Block Mining Corp., Kalo Gold Corp., Kenadyr Metals Corp. and Dominus Acquisitions Corp.
Vikas Ranjan	The Mint Corp., Alset Capital Inc., New Frontiers Vantures Inc., Must Capital Corp., Comprehensive Healthcare Systems Inc. and Vortex Metals Inc.

### *Orientation and Continuing Education*

New directors of the Company are provided with a package of pertinent information about the Company which includes written information about the duties and obligations of directors, the business and operations of the Company and documents from recent board meetings. Specific details of the orientation of each new director are tailored to that director's individual needs and areas of interest.

The Company also provides continuing education to directors by way of management presentations to ensure that their knowledge and understanding of the Company's business remains current. The Company's financial and legal advisers are also available to the Company's directors.



### *Ethical Business Conduct*

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

### *Nomination of Directors*

The Company does not have a formal process or committee for proposing new nominees for election to the Board. The nominees proposed are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members.

### *Compensation*

The Compensation Committee conducts reviews with regard to the compensation of the directors and the CEO once a year. The Compensation Committee makes its recommendations to the Board, which has the authority on such compensation by considering the nature of the services provided by the respective directors and the CEO. The Compensation Committee currently consists of Jean Charles Phaneuf, Vikas Ranjan and Rick Sanderson. Vikas Ranjan and Rick Sanderson are considered independent.

### *Other Board Committees*

The Board has also established a Compensation Committee and a disclosure committee. The Compensation Committee oversaw a review of employee salaries along with equity incentives for employees, directors and consultants to the company. The final recommendations of the Compensation Committee were implemented in the 12 month period ended June 30, 2023. The disclosure committee has not taken any actions as of the date of this Information Circular.

### *Assessments*

The Board monitors the adequacy of information given to directors, communications between the Board and management, and the strategic direction and processes of the Board and its committees.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS**

### *General*

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company's financial statements and the independence and performance of the Company's external auditor, acting as a liaison between the Board and the Company's external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management and the Board have established.

### ***Audit Committee Charter***

The Board has adopted an Audit Committee Charter, which sets out the Audit Committee’s mandate, organization, powers and responsibilities. The Audit Committee Charter is attached as Schedule “A” to this Information Circular.

### ***Composition***

As the Shares are listed on the Canadian Securities Exchange (the “Exchange”), the Company is categorized as a venture issuer. As a result, the Company is exempt from the requirements of Part 3 (*Composition of the Audit Committee*) of NI 52-110.

The Company’s Audit Committee is comprised of three directors: Kevin Ma, Chris Johnston and Rick Sanderson. The table below sets out information with respect to the current members of the Audit Committee:

<b>Name of Member</b>	<b>Independent <sup>(1)</sup></b>	<b>Financially Literate <sup>(2)</sup></b>
Kevin Ma	Yes	Yes
Chris Johnston	No <sup>(3)</sup>	Yes
Rick Sanderson	Yes	Yes

<sup>(1)</sup> A member of the Audit Committee is independent if they have no direct or indirect ‘material relationship’ with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment. An executive officer of the Company, such as the President or Chairman, is deemed to have a material relationship with the Company.

<sup>(2)</sup> A member of the Audit Committee is financially literate if they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

<sup>(3)</sup> Chris Johnston is a brother of Greg Johnston, President of the Company.

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

Kevin Ma, a CPA, CA, is currently the principal of Calibre Capital Partners Corp., a corporate finance advisory firm, acts as executive officers for several publicly listed companies and has over 18 years of financial management and public company experience. Mr. Ma holds a Bachelor of Arts from the University of British Columbia and a Diploma in Accounting from the University of British Columbia. Mr. Ma currently serves on the board of directors of several publicly listed companies. See “Corporate Governance – Other Directorships” above. Mr. Ma’s education and experience has provided him with an understanding of financial reporting requirements respecting financial statements sufficient enough to enable him to discharge his duties as a member of the Audit Committee.

Chris Johnston received his Bachelor of Applied Science in Civil Engineering from the University of British Columbia in 1988. He is a Professional Engineer (BC, AB) with over 31 years of experience in the civil engineering and infrastructure management industry. As Vice President of Kerr Wood Leidal Associates Ltd. Consulting Engineers in Vancouver, leading their business development and project innovation, he is involved in project budgeting and financial and cost benefit analysis. In addition, his experience as a founder and past director of infinitii ai corporation (formerly FlowWorks Inc.) gives him a wealth of practical experience with respect to the Company’s largest operating subsidiary.

Rick Sanderson has a Diploma in Advertising and Marketing from Sheridan College. Mr. Sanderson has over 38 years of experience in the marketing and advertising industry. He presently owns and operates a marketing services consultancy, Federation Marketing Services, which commenced operations in March 2017. Previous to this, he served as SVP General Manager of MacLaren McCann from 2014 to 2017 after his post as Marketing Director at Global Relay, a market leader in compliance messaging, archiving and message management software. Mr. Sanderson also served as a general manager of Omnicom Media Group Vancouver and Media Manager of TBWA\ Vancouver, two large global media and advertising agencies. Prior to his 27-year stay in Vancouver, he worked in Toronto for a number of agencies, including MacLaren McCann working on brands such as Coca-Cola, Procter & Gamble and HSBC.

### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

### ***Reliance on Certain Exemptions***

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of National Instrument 52-110 in whole or in part.

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

The Audit Committee Charter provides that the Audit Committee will pre-approve all non-audit services to be provided by the Company's external auditor.

***External Auditor Service Fees (By Category)***

<b>Financial Year Ended</b>	<b>Audit Fees <sup>(1)</sup></b>	<b>Audit Related Fees <sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees <sup>(4)</sup></b>
June 30, 2023	\$57,500	\$Nil	\$17,000	\$Nil
June 30, 2022	\$55,000	\$Nil	\$4,100	\$Nil

(1) The aggregate fees billed by the Company's auditor for audit fees.

(2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column.

(3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning.

(4) The aggregate fees billed for professional services other than those listed in the other three columns.

***Exemption***

The Company is relying on the exemption provided by Section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

**INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS**

No current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as otherwise disclosed herein, no:

- (a) director, proposed director or executive officer of the Company;
- (b) person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both, carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company;
- (c) associate or affiliate of any of the foregoing person or company; and
- (d) director or executive officer of the foregoing person or company,

has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except for any interest arising from the ownership of securities of the Company where such person or company receives no extra or special benefit or advantage not shared on a proportionate basis by all holders of the same class of securities.

#### **MANAGEMENT CONTRACTS**

There are no management functions of the Company or its subsidiaries which are to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company.

#### **ADDITIONAL INFORMATION**

Additional information with respect to the Company is available on the SEDAR website at [www.sedarplus.ca](http://www.sedarplus.ca). You may request copies of the Company's financial statements and management discussion and analysis by completing the proxy or request card included with the Meeting Materials, in accordance with the instructions therein. Financial information is provided in the Company's comparative annual financial statements and management discussion and analysis for its most recently completed financial year, which are available on SEDAR.

#### **OTHER MATTERS**

Other than the above, management of the Company know of no other matters to come before the Meeting other than those referred to in the Notice. If any other matters that are not currently known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the Designated Persons named therein to vote on such matters in accordance with their best judgment.

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

The contents of this Information Circular have been approved, and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized, by the Board.

DATED November 2, 2023.

By Order of the Board of Directors of  
**infinitii ai inc.**

*"Jean Charles Phaneuf"*

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Jean Charles Phaneuf  
Director and Chief Executive Officer

SCHEDULE A  
AUDIT COMMITTEE CHARTER



**infinitii ai inc.**

(formerly Carl Data Solutions Inc.)  
(the "Company")

AUDIT COMMITTEE CHARTER

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company's audit committee, or its Board of Directors (the "**Board**") in lieu thereof (the "**Audit Committee**"). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

**Composition**

- (i) *Compliance with Laws.* The Audit Committee and its membership must meet all applicable legal requirements, including, without limitation, those of applicable securities laws, applicable stock exchange and the *Business Corporations Act* (British Columbia).
- (ii) *Number of Members.* The Audit Committee must be comprised of a minimum of three (3) directors of the Company. If the Company is a "venture issuer" (as defined in National Instrument 52-110 *Audit Committees ("NI 52-110")*), then, subject to the exemptions contemplated under NI 52-110, the Audit Committee must be comprised of members, a majority of whom are not executive officers, employees or control persons of the Company or of an affiliate of the Company (as contemplated in the NI 52-110).
- (iii) *Chair.* If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the "**Chair**") to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (iv) *Financially Literacy.* All members of the Audit Committee must be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate, such member will have a period of three (3) months to acquire the required level of financial literacy.

## Meetings

- (i) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (ii) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the Company's external auditor (the "**Auditor**"). Agenda materials such as draft financial statements must be circulated to all Audit Committee members a reasonable time in advance of each meeting in order for members to have time to review the materials prior to the meeting.
- (iii) *Notice to Auditor.* The Auditor will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor's duties.
- (iv) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

## Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

### External Auditor

The Audit Committee will:

- (i) *Selection of the Auditor.* Select, evaluate and recommend the Auditor to the Board for shareholder approval, to examine the Company's accounts, controls and financial statements.
- (ii) *Scope of Work.* Evaluate, prior to the annual audit of the Company's financial statements, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (iii) *Compensation.* Recommend to the Board the compensation to be paid to the Auditor.
- (iv) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board.
- (v) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor.
- (vi) *Responsibility for Oversight.* Oversee the work of the Auditor, who must report directly to the Audit Committee.
- (vii) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditor regarding financial reporting.

### Financial Statements and Financial Information

The Audit Committee will:

- (i) *Review Audited Financial Statements.* Review the Company's audited financial statements, discuss those statements with management and with the Auditor, and if appropriate, recommend their approval to the Board.
- (ii) *Review Interim Financial Statements.* Review and discuss with management the Company's interim financial statements, and if appropriate, recommend their approval to the Board.
- (iii) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.* Review management's discussion and analysis, interim and annual press releases, and Audit Committee reports before the Company publicly discloses such information.
- (iv) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

### Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (i) *Internal Controls.* Review with management and the Auditor the general policies and procedures used by the Company with respect to internal accounting and financial controls, and remain informed, through communications with the Auditor, of any weaknesses in internal controls that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (ii) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in such functions.
- (iii) *Accounting Policies and Practices.* Review management's plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (iv) *Litigation.* Review with the Auditor and the Company's legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the Company's financial statements.
- (v) *Other.* Discuss with management and the Auditor correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.



### Complaints

- (i) *Accounting, Auditing and Internal Control Complaints.* Establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (ii) *Employee Complaints.* Establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

### **Authority**

- (i) *Auditor.* The Auditor, and any internal auditor hired by the company, will report directly to the Audit Committee.
- (ii) *Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsel and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of such advisors.

### **Reporting**

The Audit Committee will report to the Board on:

- (i) the independence of the Auditor;
- (ii) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (iii) the reappointment and termination of the Auditor;
- (iv) the adequacy of the Company's internal controls and disclosure controls;
- (v) the Audit Committee's review of the Company's financial statements, both annual and interim;
- (vi) the Audit Committee's review of the management's discussion and analysis, both annual and interim;
- (vii) the Company's compliance with legal and regulatory matters to the extent they affect its financial statements; and
- (viii) all other material matters dealt with by the Audit Committee.