

# EXEBLOCK TECHNOLOGY CORPORATION

## NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual general and special meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) of eXeBlock Technology Corporation (the “**Company**”) will be held at 1969 Upper Water Street, Suite 2001, Purdy’s Wharf Tower II, Halifax, Nova Scotia, B3J 3R7, on March 16, 2022 at 2:00 p.m. (Halifax Time) for the following purposes:

1. To receive the audited financial statements of the Company for the financial years ended August 31, 2019, 2020 and 2021 and the auditor’s reports thereon;
2. To elect three directors of the Company for the ensuing year;
3. To appoint Manning Elliott LLP, Chartered Professional Accountants, as auditors of the Company for the ensuing year and to authorize the directors to fix the auditors’ remuneration;
4. To confirm and approve a Deferred Share Unit Plan (the “**DSU Plan**”), as more particularly described in the Circular herewith;
5. To confirm and approve a Restricted Share Unit Plan (the “**RSU Plan**”), as more particularly described in the Circular herewith, and
6. To transact any other business that may properly come before the Meeting and any adjournment(s) or postponement(s) thereof.

Accompanying this notice of Meeting (“**Notice**”) is the Circular which provides additional information relating to the matters to be addressed at the Meeting, and is deemed to form part of this Notice.

**Registered Shareholders:** Every registered Shareholder of common shares at the close of business on the record date is entitled to receive notice of and to attend and vote such common shares at the Meeting. Registered Shareholders who are unable to attend the Meeting in person and who wish to ensure that their common shares will be voted at the Meeting are requested to complete, sign and deliver the enclosed form of proxy c/o Proxy Dept., National Securities Administrators Ltd., Suite 702, 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4. In order to be valid and acted upon at the Meeting, forms of proxy must be returned to the aforesaid address not later than Monday, March 14, 2022 at 2:00 p.m. (Halifax Time), or in the case of any adjournment(s) or postponement(s) of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment or postponement. Further instructions with respect to the voting by proxy are provided in the form of proxy and in the Circular accompanying this Notice. Please advise the Company of any change in your mailing address.

**Non-Registered Shareholders:** Shareholders may beneficially own common shares that are registered in the name of a broker, another intermediary or an agent of that broker or intermediary (“**Non-Registered Shareholders**”). **If you are a Non-Registered Shareholder, it is vital that the voting instruction form provided to you by your broker, intermediary or its agent is returned according to their instructions, sufficiently in advance of the deadline specified by the broker, intermediary or agent, to ensure that they are able to carry out your voting instructions on your behalf.**

The board of directors of the Company has fixed the close of business on February 10, 2022 as the record date for the determination of the Shareholders entitled to receive notice of, and to vote at, the Meeting.

Dated at Halifax, Nova Scotia this 10<sup>th</sup> day of February, 2022.

**EXEBLOCK TECHNOLOGY CORPORATION**

*“Ian Klassen”*

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**Ian Klassen,**  
President and Chief Executive Officer

# EXEBLOCK TECHNOLOGY CORPORATION

## MANAGEMENT INFORMATION CIRCULAR

(Containing information as at February 10, 2022 unless indicated otherwise)

This Management Information Circular (the “**Circular**”) furnished in connection with the solicitation of proxies by the management of eXeBlock Technology Corporation (the “**Company**”) for use at the annual general and special meeting (the “**Meeting**”) of its Shareholders to be held on March 16, 2022 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Circular, references to “**the Company**”, “**we**” and “**our**” refer to eXeBlock Technology Corporation and “**common shares**” means common shares without par value in the capital of the Company. “**Beneficial Shareholders**” means Shareholders who do not hold common shares in their own name and “**intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

All amounts in this Circular are in Canadian dollars, unless otherwise indicated.

No person has been authorized to give any information or to make any representation in connection with the matters being considered herein other than those contained in this Circular and, if given or made, such information or representation should be considered as not having been authorized and should not be relied upon.

### CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND RISKS

This Circular contained forward-looking information based on the best estimates of the Company of the current operating environment. These forward-looking statements are related to, but not limited to, the Company’s operations, anticipated financial performance, business prospects and strategies, and the Company seeking and subsequently obtaining the necessary Regulatory Approvals. Forward-looking information typically contains statements with words such as “anticipate”, “believe”, “expect”, “plan”, “estimate”, “intend”, “will”, “may”, “should” or similar words suggesting future outcomes. There is significant risk that the Company’s predictions and other forward-looking statements will not prove to be accurate. Such forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such factors include, but are not limited to, economic, competitive and industry conditions. A detailed description of these factors can be found in the Company’s management discussion and analysis dated as of January 20, 2022 filed under the Company’s profile on SEDAR ([www.sedar.com](http://www.sedar.com)) and on the CSE’s website. Readers are cautioned not to place undue reliance on forward-looking information because it is possible that predictions, forecasts, projections and other forms of forward-looking information will not be achieved by the Company. By its nature the Company’s forward-looking information involves numerous assumptions, inherent risks and uncertainties.

In addition to other factors and matters contained or incorporated in this Circular, the Company believes the following factors could cause actual results to differ materially from those discussed in the forward-looking statements. The Company disclaims any intention or obligation to update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable Law.

## GLOSSARY OF TERMS

In this Circular and accompanying Notice of Meeting (as defined herein), unless there is something in the subject matter inconsistent therewith, the following terms will have the respective meanings set out below, words importing the singular number will include the plural and vice versa and words importing any gender will include all genders.

**“Business Day”** means any day, other than a Saturday, Sunday or statutory or civic holiday in Halifax, Nova Scotia and Vancouver, British Columbia;

**“Governmental Authority”** means any (a) multinational, federal, provincial, territorial, state, municipal, local or other governmental or public department, central bank, court, commission, board, arbitrator, adjudicator, tribunal, bureau or agency, domestic or foreign having or purporting to have jurisdiction in the relevant circumstance, (b) any subdivision or authority of any of the above, or (c) any quasi-governmental or private body exercising any regulatory, expropriation or tax authority under or for the account of any of the above;

**“Law”** or **“Laws”** means any and all (a) laws, constitutions, treaties, statutes, codes, ordinances, orders, decrees, rules, regulations and municipal by-laws, (b) judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, decisions, rulings or awards of any Governmental Authority, and (c) policies, guidelines and protocols having the force of law;

**“Notice of Meeting”** means the notice of meeting to Shareholders which accompanies this Circular;

**“Person”** means a natural person, partnership, limited partnership, limited liability partnership, syndicate, sole proprietorship, corporation or company (with or without share capital), limited liability company, stock company, trust, unincorporated association, joint venture or other entity or Governmental Authority

**“Record Date”** means February 10, 2022;

**“Regulatory Approval”** means any sanction, ruling, consent, order, exemption, permit or other approval (including the lapse, without objection, of a prescribed time under a statute, rule or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of any Governmental Authorities, regulatory agencies, securities commissions, stock exchanges or self-regulatory organizations.

**“SEDAR”** means the System for Electronic Document Analysis and Retrieval as outlined in National Instrument 13-101 – *System for Electronic Document Analysis and Retrieval (SEDAR)*, which can be accessed online at [www.sedar.com](http://www.sedar.com); and

**“Shareholder”** means the holders of common shares of the Company.

## GENERAL PROXY INFORMATION

### Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by management of the Company for use at the Meeting, to be held on March 16, 2022, at the time and place and for the purposes set forth in the accompanying Notice of Meeting. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally, electronically or by telephone by directors, officers, employees or consultants of the Company. Arrangements will also be made with clearing agencies, brokerage

houses and other financial intermediaries to forward proxy solicitation material to the beneficial owners of common shares of the Company pursuant to the requirements of National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**National Instrument 54-101**”).

The Canadian securities regulators have adopted new rules under National Instrument 54-101, which permit the use of notice-and-access for proxy solicitation, instead of the traditional physical delivery of material. This new process provides the option to post meeting related materials, including management information circulars, as well as annual financial statements, and related management’s discussion and analysis, on a website in addition to SEDAR. Under notice-and-access, such meeting related materials will be available for viewing for up to one (1) year from the date of posting, and a paper copy of the material can be requested at any time during this period. The Company is not relying on the notice-and-access provisions of National Instrument 54-101 to send proxy related materials to registered shareholders or beneficial owners of shares in connection with the Meeting.

The Company may reimburse shareholders’ nominees or intermediaries (including brokers or their agents holding shares on behalf of clients) for the cost incurred in obtaining from their principals’ authorization to execute forms of proxy. The cost of any such solicitation will be borne by the Company. Unless otherwise stated, the information contained in this Information Circular is given as at February 10, 2022, being the Record date for the Meeting.

### **Appointment of Proxyholders**

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Company. **IF YOU ARE A SHAREHOLDER ENTITLED TO VOTE AT THE MEETING, YOU HAVE THE RIGHT TO APPOINT A PERSON OR COMPANY OTHER THAN EITHER OF THE PERSONS DESIGNATED IN THE PROXY, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT FOR YOU AND ON YOUR BEHALF AT THE MEETING. YOU MAY DO SO EITHER BY INSERTING THE NAME OF THAT OTHER PERSON IN THE BLANK SPACE PROVIDED IN THE PROXY OR BY COMPLETING AND DELIVERING ANOTHER SUITABLE FORM OF PROXY.** If your common shares are held in physical form (i.e., paper form) and are registered in your name, then you are a registered shareholder (“**Registered Shareholder**”). However, if, like most shareholders, you keep your common shares in a brokerage account, then you are a Beneficial Shareholder. The manner for voting is different for Registered Shareholders and Beneficial Shareholders. The instructions below should be read carefully by all shareholders.

### **Voting by Proxyholder**

The persons named in the Proxy will vote or, in the case of the election of directors and the re-appointment of auditors, withhold from voting the common shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your common shares will be voted accordingly.

**IN THE ABSENCE OF ANY DIRECTION, IT IS INTENDED THAT THE COMMON SHARES REPRESENTED BY THE PROXIES RECEIVED BY MANAGEMENT WILL ON ANY VOTE BE:**

- a. VOTED “FOR” THE ELECTION OF THE DIRECTORS REFERRED TO IN THIS CIRCULAR;**
- b. VOTED “FOR” THE APPOINTMENT OF AUDITORS REFERRED TO IN THIS CIRCULAR AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THE REMUNERATION OF THE AUDITORS;**

- c. VOTED “FOR” THE CONFIRMATION AND APPROVAL OF THE DSU PLAN; AND**
- d. VOTED “FOR” THE CONFIRMATION AND APPROVAL OF THE RSU PLAN.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to matters not specifically mentioned in the Notice of Meeting, but which may properly come before the Meeting and with respect to amendments to or variations of matters identified in the Notice of Meeting. At the time of printing this 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 forms 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.

### **Registered Shareholders**

If you were a Registered Shareholder as of the close of business on the Record Date, you are entitled to attend the Meeting and cast one vote for each common share registered in your name on all resolutions but before the Meeting. If common shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf, but documentation indicating such officer’s authority should be presented at the Meeting. Registered Shareholders may wish to vote by Proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by completing, dating and signing the enclosed form of Proxy and returning it to the Company’s transfer agent, National Securities Administrators Ltd., by:

- (a) mail or by hand to Suite 702, 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4;
- (b) facsimile to 604.559.8908; or
- (c) email to [proxy@transferagent.ca](mailto:proxy@transferagent.ca)

In all cases, the Proxy must be received by National Securities Administrators Ltd. or the Secretary of the Company not later than Monday, March 14, 2022 at 2:00 p.m. (Halifax Time), or in the case of any adjournment(s) or postponement(s) of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment or postponement.

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 in person, 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.

### **Beneficial Shareholders**

The following information is of significant importance to shareholders who do not hold common shares in their own name. 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).

These securityholder materials are 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 directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (a) delivering these materials to you, and (b)

executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

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 U.S. 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).

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

Management of the Company does not intend to pay for intermediaries to forward to OBOs under National Instrument 54-101 the proxy-related materials and Form 54-101F7 – Request for Voting Instructions Made by Intermediary (a "**VIF**"), and, in the case of an OBO, the OBO will not receive the materials unless the OBO's intermediary assumes the cost of delivery.

Every intermediary that mails proxy-related materials to Beneficial Shareholders has its own mailing procedures and provides its own return instructions to clients. Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their common shares are voted at the Meeting.

Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a VIF which 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. The VIF will appoint 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 shareholder of the Company), other than the persons designated in the VIF, 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 VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. If you receive a VIF, you cannot use it to vote common shares directly at the Meeting – the VIF must be completed and returned to Broadridge, 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 proxyholder 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 proxyholder 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, 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.

## **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a Proxy may revoke it by executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to National Securities Administrators Ltd. at Suite 702, 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, or to the address of the head office of the Company at Suite 280 – 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7, at any time up to and including the last Business Day that precedes the day of the Meeting or, if the Meeting is postponed or adjourned, the last Business Day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof.

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

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than (a) the election of directors and as may be set out herein, (b) as directors and officers they are eligible to receive grants of options under the Stock Option Plan, and (c) as directors and officers they will be entitled to receive awards under the proposed DSU Plan and RSU Plan.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Board has fixed the Record Date for determination of Persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their common shares voted at the Meeting.

As at the Record Date, there were 53,539,031 common shares issued and outstanding, each carrying the right to one vote.

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 National Securities Administrators Ltd. and will be available at the Meeting.

To the best knowledge of the Company's directors or executive officers, only the following persons or companies beneficially own, directly or indirectly, or exercise control or direction over, common shares carrying more than 10% of the voting rights attached to all outstanding common shares of the Company:



Name of Shareholder	Number of Shares beneficially owned, or controlled or directed, directly or indirectly	Percentage of Issued and Outstanding Shares <sup>(1)</sup>
Wade K. Dawe	6,173,100 <sup>(2)</sup>	11.53%

<sup>(1)</sup> Based on 53,539,031 common shares issued and outstanding as at the Record Date.

<sup>(2)</sup> Of which 525,000 shares are held directly, 4,354,100 share are held by Brigus Capital Ltd. and 1,294,000 shares are held by Kelligrew Ltd., both companies being controlled by Mr. Dawe.

## BUSINESS TO BE TRANSACTED AT THE MEETING

### Presentation of Financial Statements

The financial statements of the Company, the auditor's report thereon and management's discussion and analysis for the fiscal years ended August 31, 2019, 2020 and 2021, are filed on SEDAR under the Company's profile and will be presented to the Shareholders at the Meeting. Shareholder approval is not required in relation to the financial statements.

### Election of Directors

The term of office of each of the current directors expires at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected. The Board must consist of the greater of three (3) or the number of directors set by ordinary resolution. The size of the Board was set at three (3) by an ordinary resolution of the Shareholders approved at the last general meeting of the Company held on April 2, 2019, and the number of directors proposed to be elected at the Meeting is three.

The following table sets out the names of management's nominees for election as a director (a "**proposed director**"), the province and country in which he is ordinarily resident, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of common shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date. **The persons names in the enclosed form of proxy intend to vote FOR the election of the director nominees set forth below.** All of the nominees are current members of the Board. 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 named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion.

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.

Name of Nominee, Province and Country of Ordinary Residence and Positions Held with the Company	Occupation, Business or Employment	Director Since	Common Shares Beneficially Owned or Controlled
<b>Ian Klassen</b> <sup>(1)</sup> British Columbia, Canada, <i>Director, Interim President and Interim Chief Executive Officer</i>	President and Chief Executive Officer of the Company since January 2022 to present; President and Chief Executive Officer and a Director of Grande Portage Resources Ltd. since 2007 to present; Director of XORTX Therapeutics Inc. from August 2020 to present; Director of GMV Minerals Inc. from December 2007 to present, President & CEO from March 2009 to present, and Chief Executive Officer from September 2007 to present; and Director of Sixty North Gold Mining Ltd. from July 2017 to September 2019	September 13, 2017	Nil
<b>Paul Thomson</b> <sup>(1)</sup> Nova Scotia, Canada <i>Director</i>	Chief Executive Officer of Meridian DLT (Canada) Ltd. from 2019 to present; Corporate Secretary of Antler Gold Inc. from 2016 to present	September 13, 2017	500,002
<b>Robert Randall</b> <sup>(1)</sup> Nova Scotia, Canada <i>Director and Chief Financial Officer</i>	Chartered Professional Accountant	July 3, 2019	Nil

<sup>(1)</sup> Denotes member of Audit Committee.

None of the proposed directors of the Company is to be elected under any arrangement or understanding between the proposed director and any other person or company.

#### **Ian Klassen – Director**

Mr. Klassen has 25 years of experience in public company management, public relations, government affairs and entrepreneurialism. He has extensive experience in public company administration, finance, government and legislative policy, media relationship strategies and project management.

Mr. Klassen is the President of two North American mineral exploration companies and sits on the board of directors of several private and public companies. Previous to his management activities within private and public companies, Mr. Klassen held a variety of positions within federal Canadian politics including; Senior Political Advisor to the Minister of State (Transportation); and Chief of Staff, Office of the Speaker of the Canadian House of Commons.

Mr. Klassen graduated with an undergraduate Honours Degree from the University of Western Ontario in 1989. In 1992, Mr. Klassen received the Commemorative Medal for the 125th Anniversary of the Confederation of Canada in recognition of his significant contribution to his community and country.

#### **Paul Thomson – Director**

Mr. Thomson is the Chief Executive Officer of Meridian DLT (Canada) Ltd. and formerly was the Chief Compliance Officer and Dealing Representative at Numus Capital Corp., an Exempt Market Dealer focused on investments in the private capital markets, from 2017 to 2019. He also serves as Corporate Secretary of the resource company Antler Gold Inc., a company listed on the TSX Venture Exchange. Mr. Thomson

also served as the Manager of Investor Relations at Numus Financial Inc., a venture capital firm formed in 2014 and is focused on early-stage, high-growth companies, from 2014 to 2019.

Mr. Thomson serves on the Board of Governors of the University of King's College, where he is on the Executive Committee, Finance, Audit and Risk Committee and Advancement Committee. He also serves on the University of King's College Alumni Association Board and sits on the Finance Committee.

**Robert Randall – Director**

Mr. Randall has served as a CFO for a number of TSX Venture Exchange listed companies over the past ten years and has extensive public company financial experience. Previously, he was the Corporate Controller for Etruscan Resources Inc. and a Principal with PricewaterhouseCoopers LLP. Mr. Randall graduated with a Commerce Degree from St. Mary's University in Halifax and obtained his CPA, CA designation in 1987 with Coopers and Lybrand Chartered Accountants where he was appointed as a Principal in 1995. Mr. Randall has been the CFO of Sona Nanotech Inc. since August 2018; Antler Gold Inc. since November 2016; Torrent Capital Ltd. since August 2016 and E-Tech Resources Inc. since October 2021. He also previously served as CFO for a number of other public companies from 2012 to 2017. He is a member of the Chartered Professional Accountants of Canada and Nova Scotia and the Past Chair of the Board of the Nova Scotia Sport Hall of Fame.

***Cease Trade Orders***

To the best of the Company's knowledge, no proposed directors of the Company is, or within the 10 years before the date of this Circular has been, a director, CEO or CFO of any company (including the Company) that:

- (a) was subject to a cease trade order or an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities laws that was in effect for a period of more than 30 consecutive days (in each case, an "**Order**"), which was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

***Bankruptcies***

To the best of the Company's knowledge, no proposed director of the Company:

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

### ***Penalties or Sanctions***

To the best of the Company's knowledge, no proposed director of the Company has been subject to:

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

### **Appointment of Auditors**

Management proposes that Manning Elliott LLP, Chartered Professional Accountants, be appointed as auditors of the Company and that the directors be authorized to fix the remuneration of the auditors. Manning Elliott LLP was first appointed as the Company's auditors on August 30, 2019. The information package as required by applicable securities regulations regarding the change of auditors is included with this Circular, and is also available on SEDAR ([www.sedar.com](http://www.sedar.com)) under the Company's public filings.

**The persons named in the enclosed form of proxy intent to vote FOR the resolution to reappoint Manning Elliott LLP as auditors of the Company until the next annual general meeting of Shareholders and authorize the directors to fix the remuneration of the auditors.**

### **Approval of the DSU Plan**

The Board also has adopted a deferred share unit plan (the "**DSU Plan**") dated effective March 16, 2022, the particulars of which are described below. The Board is seeking Shareholder ratification and approval to the DSU Plan.

The purpose of the DSU Plan is to allow the Company to (i) retain highly competent persons as directors, officers and key employees and consultants (an "**DSU Participant**"), (ii) allow such persons to participate in the long-term success of the Company realized through their efforts, and (iii) promote a greater alignment of interests between the participants designated under this Plan and the Shareholders of the Company, by awarding deferred share units (the "**DSUs**"). The full text of the DSU Plan is attached as Schedule "A" to this Circular.

The DSU Plan will be administered by a Compensation Committee (the "**Committee**") to be appointed by the Board and will be subject to the supervision of the Board. Under the DSU Plan, the Compensation Committee will recommend the DSU Participants to whom an award should be made (an "**Award**") based on the DSU Participant's current and potential contribution to the success of the Company, subject to confirmation by the Board, and each approved Award will then be recorded in an account for the DSU Participant (the "**Account**"). The Compensation Committee will also determine (subject to confirmation by the Board at the time of the Award) the terms and conditions upon which an Award is made, including any vesting period or other conditions attached to the Award.

After the DSU Participant's Termination Date (as defined in the DSU Plan), each vested DSU entitles the DSU Participant to receive, subject to adjustments as provided for in the DSU Plan, one common share for the equivalent thereof when the DSU is redeemed by the Company, provided that the DSU Participant was previously continuously employed by, or provided services to, the Company from the date of such Award to the Termination Date (as those terms are defined in the DSU Plan). The DSU Participant or the legal

representative of the DSU Participant's estate may select up to five (5) separate irrevocable dates (each such date being a "**Settlement Date**") to redeem a portion or all of the number of the DSU's in the DSU Participant's Account in common shares of the Company. Subject to any conditions imposed by the Committee, each Settlement Date elected by a DSU Participant or the legal representative of the Participant's estate, as applicable, pursuant to the DSU Plan shall not be:

- (a) before the later of: (i) 15 days after the date on which the election is filed with the Company, and (ii) 30 days after the DSU Participant's Termination Date; and
- (b) later than December 15 of the calendar year commencing immediately after the DSU Participant's Termination Date.

In the event that no Settlement Date is specified by the DSU Participant or their legal representative, within the permissible period set out above, then the Settlement Date for such DSU Participant shall be a single Settlement Date, which shall be December 15 of the calendar year commencing immediately after such DSU Participant's Termination Date.

Unless the Board determines otherwise, if the employment of a DSU Participant with the Company or a Related Entity (as defined the Plan) is terminated with or without cause, or such DSU Participant resigns before a DSU has vested, the DSU Participant shall have no right to any common shares in respect of such DSU.

If a DSU Participant's employment or engagement with the Company or a Related Entity terminates before a DSU has vested due to Retirement (as defined in the DSU Plan) or disability, the Board may waive any vesting conditions and deliver such number of common shares as contemplated in the DSU Participant's Account. In the event of the death of a DSU Participant prior to the settlement of the DSUs credited to his or her Account, the Board shall, on the Settlement Date, cause to be delivered to the estate of the DSU Participant or such DSU Participant's Beneficiary, the number of vested common shares to which such DSU Participant would have been entitled.

DSUs may not be sold, transferred, assigned, pledged or otherwise encumbered or disposed of (other than to the DSU Participant's beneficiary or estate, as the case may be, upon the death of the DSU Participant), and any attempt to do so will be void and of no force or effect. DSUs track the value of the underlying common shares, but do not entitle the recipient to the underlying common shares until such DSUs are redeemed, nor do they entitle an DSU Participant to exercise voting rights or any other rights attaching to ownership or control of the common shares, until the DSU vests and the DSU Participant actually receives common shares, subsequent to the DSU Participant's Termination Date. Nothing contained in the DSU Plan, nor by the granting of any DSU's, will entitle a DSU Participant to any right to continued employment by the Company.

The existence of DSUs shall not affect in any way the right or power of the Company or its Shareholders to make or authorize any stock dividend, stock split, combination or exchange of shares, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin-off or other distribution of the Company's assets to Shareholders or any other change affecting the common shares of the Company. However, such adjustments as are required to reflect such change shall be made with respect to each DSU Participant's Account, as the Committee in its discretion may deem appropriate to reflect such change. In addition, in the event that dividends are paid on the common shares of the Company, there shall be credited to the DSU Participant's Account that number of additional DSUs equal to: (a) the product of the aggregate number of DSUs credited to the DSU Participant's Account prior to the payment of the dividend, multiplied by the per share amount of such dividend (or, in the case of any dividend payable in property other than cash, the per share value of such dividend, as determined by the Board), divided by (b)

the average of the bid and ask prices in respect of a common share of the Company on the date the dividend is declared.

The Company may from time to time impose trading blackouts during which some or all DSU Participants may not trade in the securities of the Company. In the event that a trading blackout is imposed by management or the Board, DSU Participants subject to the blackout are prohibited from buying, selling or otherwise trading in securities of the Company until such time as notice is formally given by the Company that trading may resume. If the Effective Date (as defined in the DSU Plan) of any Award falls within such a blackout period, it shall be automatically extended to the date which is five business days following the end of such blackout period.

The Board may, at any time and without the consent of any DSU Participant, terminate the DSU Plan upon written notice to each DSU Participant. Notwithstanding the termination of the DSU Plan, all amounts distributable under the DSU Plan shall be paid to the persons entitled thereto on the dates on which such distributions would have been made had the DSU Plan not been terminated.

Subject to certain limited exceptions, the Compensation Committee may from time to time amend the terms of Awards made under the DSU Plan, subject to confirmation by the Board and the obtaining of any required regulatory or other approvals and, if any such amendment will adversely affect the rights of an DSU Participant with respect to an Award, the obtaining of the written consent of such DSU Participant to such amendment.

Without limiting the generality of the foregoing, the Board may make the following amendments to the DSU Plan without obtaining shareholder approval:

- (a) Amendments to the terms and conditions of the DSU Plan necessary to ensure that the DSU Plan complies with the applicable laws, regulations, rules, orders of governmental or regulatory authorities or the requirements of the Exchange in place from time to time;
- (b) Amendments to the provisions of the DSU Plan respecting administration of the DSU Plan and eligibility for participation under the DSU Plan;
- (c) Amendments to the provisions of the DSU Plan respecting the terms and conditions on which Awards may be made pursuant to the DSU Plan;
- (d) Amendments to the DSU Plan that are of a “housekeeping” nature; and
- (e) Any other amendments, fundamental or otherwise, not requiring shareholder approval under applicable laws or applicable policies of the Exchange.

The Board may not, without the approval of the Company’s Shareholders, make the following amendments to the DSU Plan:

- (a) An increase to the DSU Plan maximum or the number of common shares reserved for issuance under the DSU Plan;
- (b) Amendment provisions granting additional powers to the Board to amend the DSU Plan or entitlements thereunder;
- (c) Extension of the termination or expiry of an Award or the removal or increase of insider participation limits (discussed further below); and

- (d) A change to the definition of “Eligible Participant” under the DSU Plan.

The Board has determined that the maximum number of common shares available for issuance upon the vesting of DSUs, combined with the number of common shares reserved for issuance under all other equity based compensation arrangements of the Company (including the Company’s Stock Option Plan and the proposed RSU Plan), will not exceed 10% of the issued and outstanding common shares at the date of the Award, less the number of common shares granted under the Company’s Stock Option Plan, RSU Plan, or any other equity based compensation plan. The maximum number of common shares reserved for issuance at any time and issued within any one-year period to any single Insider of the Company (and all associates) or any other person pursuant to the DSU Plan, and all other equity based compensation arrangements, cannot exceed 5% of the Company’s total issued and outstanding common shares at the time of the Award, less the number of common shares granted to that Insider (and all associates) or such other person under the Company’s Stock Option Plan, RSU Plan, or any other equity based compensation plan.

The DSU Plan must be approved by at least a majority of votes cast at the Meeting by the Shareholders who vote in respect of the approval of the DSU Plan (present in person or represented by proxy. Based on the foregoing, Shareholders are being requested to consider and, if thought advisable, to pass the following ordinary resolution approving the DSU Plan, with or without variation:

“**WHEREAS** the Board of Directors has approved a deferred share unit plan dated effective March 16, 2022 (the “**DSU Plan**”) as described in the Company’s management information circular for the Meeting dated February 10, 2022 (the “**Circular**”), subject to the approval of the Shareholders;

**NOW BE IT RESOLVED** that:

- 1 The DSU Plan is hereby ratified, confirmed and approved;
2. The DSU Plan providing for the treasury issuance of common shares of the Company upon redemption of deferred share units (“**DSUs**”) that are granted after the date hereof, substantially as incorporated in the form of the DSU Plan presented to the shareholders of the Company, is hereby approved, subject to such revisions as may be required by any stock exchange upon which the Company is listed from time to time, and any director or officer of the Company is hereby authorized and directed to settle the terms thereof and to execute and deliver for and on behalf of and in the name of the Company the DSU Plan and any other documents in relation thereto as may be approved by such director or officer (the “**DSU Plan Documents**”), and the DSU Plan Documents so executed shall be conclusively deemed to be the DSU Plan Documents authorized and approved by this resolution and the Company is authorized to perform its obligations under the DSU Plan and any associated DSU Plan Documents;
3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions; and
4. The directors be authorized in their sole discretion not to proceed with the DSU Plan, or to terminate the DSU Plan, without further approval from the shareholders.”

The Board has concluded that the DSU Plan is in the best interests of the Company and its Shareholders. Accordingly, the Board unanimously recommends that the Shareholders approve the DSU Plan, by voting FOR this resolution at the Meeting.

**Proxies received in favour of management will be voted FOR the DSU Plan unless the Shareholder has specified in the proxy that his or her common shares are to be voted against such resolution. Where no choice is specified by a Shareholder, the proxy will confer discretionary authority and will be voted FOR the DSU Plan Resolution ratifying, confirming and approving the adoption of the DSU Plan.**

### **Approval of Restricted Share Unit Plan**

The Board also has adopted a restricted share unit plan (the “**RSU Plan**”) dated effective March 16, 2022, the particulars of which are described below. The Board is seeking Shareholder ratification and approval to the RSU Plan.

The purpose of the RSU Plan is to allow the Company to attract and retain individuals with experience and exceptional skill, and to allow selected executives, key employees and consultants of the Company (an “**RSU Participant**”) by granting restricted share units (the “**RSUs**”) with a view to enabling the RSU Participants to participate in the long-term success of the Company as a result of their efforts, and to promote a greater alignment of interests between the Shareholders and the RSU Participants to act diligently and in the best interests of the Company. The full text of the RSU Plan is attached as Schedule “B” to this Circular.

The RSU Plan will also be administered by a Compensation Committee to be appointed by the Board and will be subject to the supervision of the Board. Under the RSU Plan, the Compensation Committee will recommend the RSU Participants to whom a RSU grant should be made (the “**Grant**”) based on the RSU Participant’s current and potential contribution to the success of the Company. The Compensation Committee will also determine the terms and conditions upon which a Grant is made, including any performance criteria or vesting period attached to the Grant. In respect of any person performing investor relations activities for the Company, such vesting period must vest in stages over a period of not less than 12 months with no more than ¼ of the RSUs vesting in any three month period.

Upon vesting, each RSU entitles the RSU Participant to receive, subject to adjustments as provided for in the RSU Plan, one common share for the equivalent thereof, provided that the Participant is continuously employed with, or providing services to, the Company from the Effective Date of such Grant to the Release Date (as those terms are defined in the RSU Plan). The terms and conditions of vesting of each Grant is determined by the Compensation Committee at the time of the Grant. RSUs may not be sold, transferred, assigned, pledged or otherwise encumbered or disposed of (other than to the RSU Participant’s beneficiary or estate, as the case may be, upon the death of the RSU Participant) during the vesting period. RSUs track the value of the underlying common shares, but do not entitle the recipient to the underlying common shares until such RSUs vest, nor do they entitle an RSU Participant to exercise voting rights or any other rights attaching to ownership or control of the common shares, until the RSU vests and the RSU Participant receives common shares.

In the event of a change in control of the Company, and unless otherwise determined by the Compensation Committee, or otherwise addressed in the RSU Participant’s employment or service contract or share compensation plan approved by the Board, with respect to each Grant outstanding on the effective date of such change in control, and subject to the acceptance of the Exchange, all RSUs shall vest as of the effective date of the change in control; and, provided that each RSU Participant is continuously employed by or providing services to the Company, such RSU Participant shall be entitled to receive from the Company,



one CIC Share (as defined in the RSU Plan), or the number of Consideration Shares (as defined in the RSU Plan) rounded to the nearest whole number, that is equal to the sum of: (i) the number of Consideration Shares received by the Shareholders in respect of one Common Share; and (ii) the number of Consideration Shares that the Board determines represents the fair market value of any cash or other property received by the Shareholders of the Company in respect of one Common Share.

The Company may from time to time impose trading blackouts during which some or all RSU Participants may not trade in the securities of the Company. In the event that a trading blackout is imposed by management or the Board, RSU Participants subject to the blackout are prohibited from buying, selling or otherwise trading in securities of the Company until such time as notice is formally given by the Company that trading may resume. If the Effective Date (as defined in the RSU Plan) of any Grant falls within such a blackout period, it shall be automatically extended to the date which is ten business days following the end of such blackout period.

In the event of termination of employment without cause or the retirement or permanent disability of a RSU Participant, the RSU participant shall be entitled to the settlement of the pro rata portion of RSUs based on the proportion of the performance period worked prior to termination. Any remaining RSUs terminate. In the event of voluntary resignation or termination for cause of a RSU Participant, all unvested RSUs outstanding immediately terminate. In the event of the death of a RSU Participant, the estate of the RSU Participant shall be entitled to receive on the subsequent settlement date the common shares to which the RSU Participant would have been entitled to receive on that date. All other outstanding unvested RSUs terminate.

The Board may, at any time and from time to time, amend, suspend or terminate the RSU Plan in whole or in part. Subject to certain limited exceptions, the Compensation Committee may from time to time amend the terms of Grants made under the RSU Plan, subject to confirmation by the Board and the obtaining of any required regulatory or other approvals and, if any such amendment will materially adversely affect the rights of an RSU Participant with respect to a Grant, the obtaining of the written consent of such RSU Participant to such amendment. Without limiting the generality of the foregoing, the Board may make the following amendments to the RSU Plan without obtaining shareholder approval:

- (a) Amendments to the terms and conditions of the RSU Plan necessary to ensure that the RSU Plan complies with the applicable laws, regulations, rules, orders of governmental or regulatory authorities or the requirements of the Exchange in place from time to time;
- (b) Amendments to the provisions of the RSU Plan respecting administration of the RSU Plan and eligibility for participation under the RSU Plan;
- (c) Amendments to the provisions of the RSU Plan respecting the terms and conditions on which Grants may be made pursuant to the RSU Plan;
- (d) Amendments to the RSU Plan that are of a “housekeeping” nature; and
- (e) Any other amendments, fundamental or otherwise, not requiring shareholder approval under applicable laws or applicable policies of the Exchange.

The Board may not, without the approval of the Company’s shareholders, make the following amendments to the RSU Plan:

- (a) An increase to the RSU Plan maximum or the number of common shares reserved for issuance under the RSU Plan;

- (b) Amendment provisions granting additional powers to the Board to amend the RSU Plan or entitlements thereunder;
- (c) Extension of the termination or expiry of a Grant or the removal or increase of insider participation limits (discussed further below); and
- (d) A change to the definition of “Designated Person” or “Director”.

The Board has determined that the maximum number of common shares available for issuance upon the vesting of RSUs, combined with the number of common shares reserved for issuance under all other equity based compensation arrangements of the Company (including the Company’s Stock Option Plan and the proposed DSU Plan), will not exceed 10% of the issued and outstanding common shares at the date of the Grant, less the number of common shares granted under the Company’s Stock Option Plan, DSU Plan, or any other equity based compensation plan. The maximum number of common shares reserved for issuance at any time and issued within any one-year period to any single Insider of the Company (and his associates) or any other person pursuant to the RSU Plan, and all other equity based compensation arrangements, cannot exceed 5% of the Company’s total issued and outstanding common shares at the time of the Grant, less the number of common shares granted to such Insider (or his associates) or such other person under the Company’s Stock Option Plan, DSU Plan, or any other equity based compensation plan. The maximum number granted reserved for issuance at any time and issued within any one-year period to any single person performing investor relations activities or other consulting activities for the Company, pursuant to the Plan and all other security-based compensation arrangements, cannot exceed 1.0% of the Company’s total issued and outstanding common shares at the time of the Grant.

The RSU Plan must be approved by at least a majority of votes cast at the Meeting by the Shareholders who vote in respect of the approval of the RSU Plan (present in person or represented by proxy. Based on the foregoing, Shareholders are being requested to consider and, if thought advisable, to pass the following ordinary resolution approving the RSU Plan, with or without variation:

“**WHEREAS** the Board of Directors has approved a restricted share unit plan dated effective March 16, 2022 (the “**RSU Plan**”) as described in the Company’s management information circular for the Meeting dated February 10, 2022 (the “**Circular**”), subject to the approval of the Shareholders;

**NOW BE IT RESOLVED** that:

1. The RSU Plan is hereby ratified, confirmed and approved;
2. The RSU Plan providing for the treasury issuance of common shares of the Company upon redemption of restricted share units (“**RSUs**”) that are granted after the date hereof, substantially as incorporated in the form of the RSU Plan presented to the shareholders of the Company, is hereby approved, subject to such revisions as may be required by any stock exchange upon which the Company is listed from time to time, and any director or officer of the Company is hereby authorized and directed to settle the terms thereof and to execute and deliver for and on behalf of and in the name of the Company the RSU Plan and any other documents in relation thereto as may be approved by such director or officer (the “**RSU Plan Documents**”), and the RSU Plan Documents so executed shall be conclusively deemed to be the RSU Plan Documents authorized and approved by this resolution and the Company is authorized to perform its obligations under the RSU Plan and any associated RSU Plan Documents;

3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions; and
4. The directors be authorized in their sole discretion not to proceed with the RSU Plan, or to terminate the RSU Plan, without further approval from the shareholders.”

The Board has concluded that the RSU Plan is in the best interests of the Company and its Shareholders. Accordingly, the Board unanimously recommends that the Shareholders approve the RSU Plan, by voting FOR this resolution at the Meeting.

**Proxies received in favour of management will be voted FOR the RSU Plan unless the Shareholder has specified in the proxy that his or her common shares are to be voted against such resolution. Where no choice is specified by a Shareholder, the proxy will confer discretionary authority and will be voted FOR the RSU Plan Resolution ratifying, confirming and approving the adoption of the RSU Plan.**

#### **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

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

##### **The Audit Committee’s Charter**

The Audit Committee has a charter. A copy of the Audit Committee Charter is attached hereto as Schedule “C”.

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

The members of the Audit Committee are Ian Klassen (Chair), Paul Thomson and Robert Randall. Ian Klassen is the CEO and Robert Randall is the CFO of the Company and accordingly are not considered to be independent. Ian Klassen’s appointment as CEO is considered to be temporary until complete of a proposed business acquisition. Paul Thomson is an independent member of the Audit Committee. All members are considered to be financially literate.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment.

A member of the Audit Committee is considered 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.

## **Relevant Education and Experience**

### **Paul Thomson**

Mr. Thomson has experience reading and understanding financial statements both as a senior officer with publicly listed company Antler Gold Inc. and as a member of senior finance committees with a public University board and non-profit Association. Mr. Thomson currently serves on the Finance, Audit and Risk Committee of the University of King's College Board of Governors. The Finance, Audit and Risk Committee supports the University's Board of Governors in the fulfilment of its stewardship responsibilities in the following areas:

- financial and oversight reporting
- risk oversight and monitoring the integrity of internal controls and
- management information systems.

Mr. Thomson also serves on the Finance Committee of the University of King's College Alumni Association Board. The Finance Committee assists the Treasurer with budgeting and monitors the income statement and balance sheet for the Association.

### **Ian Klassen**

Mr. Klassen has served as the President and CEO of Grande Portage Resources Ltd. since 2007 to present. He also currently serves as the President and CEO of GMV Minerals Inc. and as a director of Sixty North Gold Mining Ltd. He was also previously a director of Canabo Medical Inc. from March 2014 to March 2018 and the President and Chief Operating Officer of Graphene 3D Lab Inc. from August 2015 to May 2016. Mr. Klassen has a B.A. (Honours) from the University of Western Ontario (1989) and has been actively involved in financing and management of both private and public companies since 1996.

### **Robert Randall**

Mr. Randall has served as a CFO for a number of TSX Venture Exchange listed companies over the past ten years and has extensive public company financial experience. Previously, he was the Corporate Controller for Etruscan Resources Inc. and a Principal with PricewaterhouseCoopers LLP. Mr. Randall graduated with a Commerce Degree from St. Mary's University in Halifax and obtained his CPA, CA designation in 1987 with Coopers and Lybrand Chartered Accountants where he was appointed as a Principal in 1995.

Each member of the Audit Committee has adequate education and experience that would provide the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) 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

- (c) 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 has the Audit Committee made any recommendations to the Board to nominate or compensate its auditor which were not adopted by the Board.

### **Reliance on Certain Exemptions**

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on the exemption in: (a) Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*); (b) subsection 6.1.1(4) (*Circumstances Affecting the Business or Operations of the Venture Issuer*); (c) subsection 6.1.1(5) (*Events Outside Control of Members*); (d) subsection 6.1.1(6) (*Death, Incapacity or Resignation*); or (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

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

All services to be performed by the independent auditor of the Company must be approved in advance by the Audit Committee. The Audit Committee has considered whether the provisions of services other than audit services is compatible with maintaining the auditor’s independence and has adopted a policy governing the provision of these services. This policy requires that pre-approval by the Audit Committee of all audit and non-audit services provide by any external auditor, other than any *de minimus* non-audit services allowed by applicable law or regulation.

### **External Auditor Service Fees**

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Manning Elliott LLP, Chartered Professional Accountants, for the financial years ended August 31, 2019, 2020 and 2021 to the Company to ensure auditor independence. The Audit Committee has reviewed the nature and amount of the non-audited services provided by Manning Elliott LLP, Chartered Accountant, for the financial year ended August 31, 2021, 2020 and 2019, to the Company to ensure auditor independence. The aggregate fees incurred with the Company’s auditors for audit and non-audit services in the financial years ended August 31, 2021, 2020 and 2019 are outlined in the following table:

<b>Nature of Services</b>	<b>Fees Billed by Auditor for the Financial Year Ended August 31, 2021</b>	<b>Fees Billed by Auditor for the Financial Year Ended August 31, 2020</b>	<b>Fees Billed by Auditor for the Financial Year Ended August 31, 2019<sup>(1)</sup></b>
Audit Fees <sup>(2)</sup>	\$21,000	\$18,750	\$25,000
Audit-Related Fees <sup>(3)</sup>	Nil	Nil	Nil
Tax Fees <sup>(4)</sup>	\$2,500	\$2,000	\$1,900
All Other Fees <sup>(5)</sup>	Nil	Nil	\$1,100
<b>TOTAL:</b>	<b>\$23,500</b>	<b>\$20,750</b>	<b>\$28,000</b>

<sup>(1)</sup> On August 30, 2019, Manning Elliott LLP was appointed as the Company’s auditors.

<sup>(2)</sup> “Audit Fees” include fees necessary to perform the annual audit of the Company’s financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

- (3) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (4) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (5) “All Other Fees” include all other non-audit services.

## **Exemption**

The Company is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110 for the financial years ended August 31, 2021, 2020 and 2019. This exemption exempts a “venture issuer” from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of that instrument, as would otherwise be required by NI 52-110.

## **CORPORATE GOVERNANCE**

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. Corporate governance encourages establishing a reasonable degree of independence of the Board from executive management and the adoption of policies to ensure the Board recognizes the principles of good management. The Board is committed to sound corporate governance practices, which are in the interest of its shareholders and contribute to effective and efficient decision making.

NI 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which 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. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations. NI 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices in Form 58-101F2, which disclosure is set out below.

## **Board of Directors**

The mandate of the Board is to supervise the management of the Company and to act in the best interests of the Company. The Board acts in accordance with:

- (a) the BCBCA;
- (b) the Company’s articles of incorporation; and
- (c) other applicable laws and Company policies.

The Board approves all significant decisions that affect the Company before they are implemented. The Board supervises their implementation and reviews the results.

The Board is actively involved in the Company’s strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management. The Board is responsible for reviewing and approving the strategic plan. At least one Board meeting each year is devoted to discussing and considering the strategic plan, which takes into account the risks and opportunities of the business.

Management must seek the Board's approval for any transaction that would have a significant impact on the strategic plan.

The Board periodically reviews the Company's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Company's internal control and management information systems. The Board also monitors the Company's compliance with its timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board periodically discusses the systems of internal control with the Company's external auditor.

The Board is responsible for choosing the CEO, CFO and appointing senior management and for monitoring their performance and developing descriptions of the positions for the Board, including the limits on management's responsibilities and the corporate objectives to be met by the management.

The Board approves all the Company's major communications, including annual and quarterly reports, financing documents and press releases. The Board approves the Company's communication policy that covers the accurate and timely communication of all important information. It is reviewed annually. This policy includes procedures for communicating with analysts by conference calls.

The Board, through its Audit Committee, examines the effectiveness of the Company's internal control processes and management information systems. The Board consults with the internal auditor and management of the Company to ensure the integrity of these systems. The internal auditor submits a report to the Audit Committee each year on the quality of the Company's internal control processes and management information systems.

The Board is responsible for determining whether or not each director is an independent director. Directors who also act as officers of the Company are not considered independent. Directors who do not also act as officers of the Company, do not work in the day-to-day operations of the Company, are not party to any material contracts with the Company, or receive any fees from the Company except as disclosed in this Circular.

The Board consists of three directors, one of whom is independent based upon the tests for independence set forth in NI 52-110. Paul Thomson is an independent director. Ian Klassen and Robert Randall are not independent as they serve as the Company's CEO and CFO, respectively. Directors are considered to be 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, be reasonably expected to interfere with the exercise of a director's independent judgment.

### **Directorships**

Mr. Klassen is currently also a director of GMV Minerals Inc. (TSXV:GMV), Grande Portage Resources Ltd. (TSXV:GPG) and Sixty North Gold Mining Ltd. (CSE:SXTY). Mr. Randall and Mr. Thomson do not hold any directorships with any other reporting issuers as at the date of this Circular.

### **Orientation and Continuing Education**

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors.

The Board briefs all new directors with respect to the Board's policies and other relevant corporate and business information. New Board members are also provided with access to all of the Company's publicly filed documents, the Company's records, and the Company's management and professional advisors, including the Company's auditor and legal counsel.

The Board also ensures that each director is up-to-date with current information regarding the Company's business, the role the director is expected to fulfill, and basic procedures and operations of the Board. Board members are encouraged to communicate with management and the Company's auditor.

### **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.

Under the applicable corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and to disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

### **Nomination of Directors**

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.



## **Compensation**

The Board conducts reviews with regard to directors' compensation twice a year. To make its recommendation on directors' compensation, the Board takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies and aligns the interests of directors with the return to shareholders. Compensation packages, including benefits, for executives and key managers will be developed based on performance and the Company's cash flow.

The Board decides the compensation of the Company's officers, based on industry standards and the Company's financial situation.

## **Assessments**

The responsibility for assessing directors on an ongoing basis is assumed in full by the Board and every director is entitled to bring the matter to the Board of Directors. The Board does not perform regular assessments; however, the Board believes that the size of the Company facilitates informal discussion and evaluation of the Board, its committees and its members.

## **Director Term Limits**

The Company has not adopted director term limits for directors. However, the Chairman and/or lead independent director and the Board regularly assess the effectiveness and contribution of directors. The Company feels that its current governance system is sufficient to ensure that the Board from year to year is composed of directors with the appropriate knowledge and skills necessary to enhance the long-term performance of the Company. Furthermore, the Company recognizes the significant value that can be offered by long-serving directors, including the breadth of experience and familiarity with the Company and its industry of those members that have joined the Board. As such, the Company believes that it would not be best suited to the needs of the Company to adopt director terms limits or any formal board renewal mechanisms other than those already in place and discussed in this Circular.

## **Diversity of Board and Management**

The Company does not have a written policy, or targets relating to the identification and nomination of persons to the Board or senior management positions, who are women, aboriginal peoples, persons with disabilities, and members of visible minorities. The Board and management of the Company believe that diversity and inclusion is important to the future development and success of the Company, and qualified candidates in such designated groups will certainly be welcomed and considered for positions on the Board and in senior management as the Company grows. The Board does not currently have any person in the foregoing categories who serves on the Board or in a senior management position.

## **Other Board Committees**

### ***Risk and Disclosure Committee***

The Board has approved and adopted a Risk and Disclosure Committee and Charter. The Committee shall consist of a minimum of three members with the majority being independent as appointed from time to time by the Board. The members of the Committee are Ian Klassen, CEO and director of the Company, Paul Thomson, director of the Company; and Robert Randall, CFO and Secretary. Mr. Klassen is the CEO and Mr. Randall is the CFO of the Company, and are not considered to be independent. Paul Thomson is an independent member of the Risk and Disclosure Committee.

The purpose of the Risk and Disclosure Committee is to properly assess the risks and disclosures associated with the regulatory compliance related to all business initiatives such as, but not limited to, the development of new applications using blockchain technology, the use of such new applications, the economics of such new applications, and all new work projects, if any.

The primary responsibility of the Committee is to oversee and approve the company-wide risk management practices to assist the Board in:

- Overseeing that the executive team has identified, assessed and disclosed all the risks that the Company faces and has mitigated any potential risks to an acceptable level as determined by the Committee;
- Overseeing, in conjunction with the Board, risks such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational, and other risks; and
- In conjunction with the Board, approving the Company's overall business initiatives, business plans and disclosures as it relates to the development of new blockchain related applications.

The Committee has the authority to conduct investigations into any matters within its scope of responsibility and obtain advice and assistance from outside legal, accounting, or other advisors, as necessary, to perform its duties and responsibilities.

In carrying out its duties and responsibilities, the Committee also has the authority to meet with and seek any information it requires from employees, officers, directors, or external parties.

To fulfil its responsibilities and duties, the Committee will:

- Provide input to management regarding the risk appetite and tolerance and, ultimately, approve all new development projects and applications for the Company as a whole;
- Monitor the Company's risk profile - its on-going and potential exposure to risks of various types including but not limited to the development of applications, blockchain technology developments, regulatory changes, crypto currency uses and the legality and disclosure of the Company's operations;
- Enforce the tone and culture regarding risk and risk management as it relates to the Company's goals and compensation structure by creating a corporate culture such that individuals at all levels manage risks rather than automatically avoiding or thoughtlessly taking them;
- Continually obtain reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed, disclosed as required and in compliance with regulations;
- Communicate formally and informally with the executive team and external legal counsel regarding the risks associated with the Company's operations and development plan;
- Read and provide input to the Board and Audit Committee regarding risk disclosures in financial statements and other public statements regarding risk and the operations of the Company; and
- Keep risk on both the Board's and management's agenda on a regular basis

The Committee will perform a review and evaluation, at least annually, of the performance of the Committee and its members, including the compliance of the Committee with its Charter. In addition, the Committee will review and reassess, at least annually, the adequacy of its Charter and recommend to the Board any improvements to the Charter that the Committee considers necessary or valuable. The Committee will conduct such evaluations and reviews in such manner as it deems appropriate. The Committee will also have such other responsibilities as the Board may assign to it from time to time.

The Board has no other committees other than the Audit Committee and the Risk and Disclosure Committee.

### **STATEMENT OF EXECUTIVE COMPENSATION**

The Company is a venture issuer and is disclosing its executive compensation in accordance with Form 51-102F6V, *Statement of Executive Compensation – Venture Issuers* (“**Form 51-102F6V**”).

The following persons are considered the “**Named Executive Officers**” or “**NEOs**” for the purposes of this disclosure:

- (a) the Company’s chief executive officer (“**CEO**”);
- (b) the Company’s chief financial officer (“**CFO**”);
- (c) each of the Company’s most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for the year ended August 31, 2021; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact the individual was neither an executive officer, nor acting in a similar capacity on August 31, 2021.

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

The following table provides a summary of compensation paid or accrued, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each Named Executive Office and director of the Company during the Company’s two most recent financial years ended August 31, 2021, 2020 and 2019.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation <sup>(7)</sup> (\$)	Total compensation (\$)
<b>Ken Marshall</b> Former President and CEO <sup>(1)</sup>	2021	45,000	Nil	Nil	Nil	Nil	45,000
	2020	60,000	N/A	N/A	N/A	N/A	60,000
	2019	N/A	N/A	N/A	N/A	N/A	N/A
<b>Jamie Davison</b> Former President and CEO <sup>(2)</sup>	2019	182,455	Nil	Nil	Nil	Nil	182,455
<b>Robert Randall</b> CFO and Corporate Secretary <sup>(3)</sup>	2021	37,725	Nil	Nil	Nil	Nil	37,725
	2020	51,975	Nil	Nil	Nil	Nil	51,975
	2019	52,950	Nil	Nil	Nil	Nil	52,950
<b>Ian Klassen</b> President, CEO and Director <sup>(4)</sup>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
<b>Paul Thomson</b> Director <sup>(6)</sup>	2021	15,000	Nil	Nil	Nil	Nil	15,000
	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
<b>Carl Sheppard</b> Director <sup>(5)</sup>	2019	35,500	Nil	Nil	Nil	Nil	35,500

<sup>(1)</sup> Mr. Marshall was appointed a Director on June 28, 2019, a position which he held until December 15, 2021 and President & CEO on August 28, 2019, a position which he held until January 23, 2022;

<sup>(2)</sup> Mr. Davison was appointed President & CEO on June 25, 2018, a position which he held until August 28, 2019;

<sup>(3)</sup> Mr. Randall was named Chief Financial Officer on September 1, 2017 with any fees paid to Randall Consulting Inc., a company controlled by Mr. Randall;

<sup>(4)</sup> Mr. Klassen has been a director of the Company since September 13, 2017 and was appointed as President & CEO on January 23, 2022;

<sup>(5)</sup> Mr. Sheppard has served as a director of the Company since November 3, 2017 to June 28, 2019 with any fees paid to Strategic Concepts, Inc., a company controlled by Mr. Sheppard;

<sup>(6)</sup> Mr. Thomson has served as a director of the Company since September 13, 2017;

<sup>(7)</sup> Other compensation includes amortized value of issued stock options. The Black-Scholes Option Pricing Module resulted in a weighted-average fair value of \$0.236 per option based on the following assumptions: a 5 year expected term, 140% volatility, risk-free interest rate of 1.0% and a dividend rate of 0%.

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

The Company has a stock option plan (the “**Stock Option Plan**”) for directors, officers, employees and consultants of the Company, which received Disinterested Shareholder Approval (as defined therein) on April 2, 2019.. The Board has the authority to issue up to 10% of the issued and outstanding common shares of the Company. The options can have up to a ten-year life and the vesting period is set by the Board. Options are granted at a price no lower than the greater of the closing market prices 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

Any and all options previously issued have been cancelled. As at February 10, 2022, the Company does

not have any outstanding options.

### ***Stock Option Plan***

The only equity compensation plan which the Company currently has in place is the Stock Option Plan which was previously approved by the disinterested Shareholders and accepted by the Exchange on listing. The Stock Option Plan was established to provide incentive to directors, officers and employees and consultants to increase their proprietary interest in the Company and thereby encourage them to advance the interests of the Company and continue their association with the Company. The Stock Option Plan is administered by the Board and options are granted at the discretion of the Board to eligible directors, officers, employees and consultants of the Company and its subsidiaries (an “**Optionee**”).

The Stock Option Plan is a 10% maximum rolling plan. As a 10% rolling plan the aggregate number of common shares issuable as options under the Stock Option Plan may be up to 10% of the Company’s issued and outstanding common shares on the date on which an option is granted, less common shares reserved for issuance on exercise of options then outstanding under the Stock Option Plan.

To be eligible to receive a grant of options under the Stock Option Plan, an Optionee must be either a director, officer, employee, consultant of the Company or a subsidiary at the time the option is granted.

The Stock Option Plan is subject to the following restrictions:

- (a) The Company must not grant an option to purchase common shares pursuant to the Stock Option Plan (an “**Option**”) to an Optionee in any 12-month period that exceeds 5% of the outstanding common shares of the Company, unless the Company has obtained Disinterested Shareholder Approval;
- (b) The total number of options granted to an Optionee conducting investor relations activities in any 12 month period must not exceed 1% of the outstanding shares calculated at the date of the grant, without prior Regulatory Approval;
- (c) The Company must not grant an option to a consultant in any 12 month period that exceeds 1% of the outstanding shares calculated at the date of the grant of the option;
- (d) The total number of common shares reserved for issuance under options granted to Insiders (defined below) or any other Optionees must not exceed 10% of the outstanding shares (if the Stock Option Plan is amended to reserve for issuance more than 10% of the outstanding shares), unless the Company has obtained Disinterested Shareholder Approval;
- (e) The number of optioned shares issued to Insiders or any other Optionees in any 12 month period must not exceed 10% of the outstanding shares (if the Stock Option Plan is amended to reserve for issuance more than 10% of the outstanding shares), unless the Company has obtained Disinterested Shareholder Approval;
- (f) The exercise price of an Option previously granted to an Insider must not be reduced unless the Company has obtained Disinterested Shareholder Approval to the repricing.

“**Disinterested Shareholder Approval**” means the approval by a majority of the votes cast by all shareholders of the Company at a meeting excluding votes attached to listed common shares beneficially owned by Insiders (defined below) of the Company and Associates (as defined in the British Columbia *Securities Act*) of Insiders.

An “**Insider**” is a director, or senior officer of the Company, a director or senior officer of a company that is an Insider or subsidiary of the Company, or a person that beneficially owns or controls, directly or indirectly, voting common shares carrying more than 10% of the outstanding common shares of the Company.

The following is a summary of the material terms of the Stock Option Plan. This summary does not purport to be complete and is qualified in its entirety by reference to the Stock Option Plan which was attached as Schedule “A” to the information circular for the Shareholders’ meeting held on April 2, 2019 and is file don SEDAR ([www.sedar.com](http://www.sedar.com)) under the Company’s profile. The material terms of the Stock Option Plan are:

- (a) Optionees are eligible to receive grants of Options under the Stock Option Plan;
- (b) Options shall not be assignable (or transferable) by the Optionee;
- (c) all Options granted under the Stock Option Plan expire on a date not later than 10 years after the grant date of such Options; however, should the expiry date for an Option fall within a Blackout Period (as defined in the Stock Option Plan), the expiry date will be extended to the 10<sup>th</sup> business day following the expiry date;
- (d) an option will expire within 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the option), after the date the Optionee ceases to be employed by or provide services to the Company, but only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (e) if an Optionee dies, any vested option held by him or her at the date of death will become exercisable by the Optionee’s lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (f) in the case of an Optionee being dismissed from employment or service for cause, such Optionee’s options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- (g) the exercise price of each option will be set by the Board at the time the Option is granted; however, the Option Price shall not be lower than the greater of the closing market prices of the 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;
- (h) vesting of options are at the discretion of the Board, and will generally be subject to: (i) the Optionee remaining employed by or continuing to provide services to the Company or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its affiliates during the vesting period; or (ii) the Optionee remaining as a Director of the Company or its affiliates during the vesting period.

#### **Incentive Plan Awards – Outstanding Stock Option-Based Awards**

As at August 31, 2021 and February 10, 2022, there are no stock options outstanding.

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

During the financial years ending August 31, 2021, 2020 and 2019, none of the Named Executive Officers or directors exercised any stock options.

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

There are no unique employment contracts, consulting and/or management agreements with the current Named Executive Officers or directors of the Company.

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

The Board is responsible for determining, by way of discussions at board meetings, the compensation to be paid to the NEOs and directors of the Company.

#### ***Director compensation***

The Board determines director fee compensation from time to time. Directors may also be granted incentive stock options to purchase common shares of the Company pursuant to the terms of the Stock Option Plan and in accordance with the policies of the CSE.

### **Named Executive Officer Compensation**

The Company at this time does not have a formal compensation program with specific performance goals; however, the performance of each NEO is considered along with the Company's ability to pay compensation and its results of operation for the period.

Compensation is designed to achieve the following key objectives:

- to support our overall business strategy and objectives;
- to provide market competitive compensation that is substantially performance-based;
- to provide incentives that encourage superior corporate performance and retention of highly skilled and talented NEOs; and
- to align executive compensation with corporate performance and therefore shareholders' interests.

The Company's compensation package is comprised of a base salary or service fees and option-based awards.

The Company does not have a formal compensation program with set benchmarks; however, the Company does have a compensation program which seeks to reward a NEO's current and future expected performance. Individual performance in connection with the achievement of corporate milestones and objectives is also reviewed for all NEOs.

The Board has not directly considered the implications of the risks associated with the Company's compensation policies and practices.

The Company does not have a set policy preventing an NEO or director from purchasing financing instruments such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds

designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such person.

### **Pension Disclosure**

The Company does not have any form of pension plan that provides for payments or benefits to the NEO at, following, or in connection with retirement. The Company does not have any form of deferred compensation plan.

### **Termination and Change of Control Benefits**

The Company does not have any plan contract, agreement or plan or arrangement that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, a change in control of the Company or a change in the NEO's responsibilities.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets out equity compensation plan information required to be disclosed by Form 51-102F5 – “Information Circular” as at the end of the Company’s financial year ended August 31, 2021:

	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights as at August 31, 2021</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights as at August 31, 2021 (\$)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
<b>Plan Category</b>	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans approved by security holders	Nil	N/A	5,353,903
Equity compensation plans not approved by security holders	Nil	N/A	Nil
Total	Nil	N/A	5,353,903

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

At no time during the Company’s last completed financial year or as of the Record Date, was any director, executive officer, employee, proposed management nominee for election as a director of the Company nor any associate of any such director, executive officer, or proposed management nominee of the Company or any former director, executive officer or employee of the Company or any of its subsidiaries indebted to the Company or any of its subsidiaries or indebted to another entity where such indebtedness was 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**

Other than as described below, to the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the common shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its



subsidiaries since September 1, 2020 (being the commencement of the Company's last completed financial year), or has any interest in any material transaction in the current year.

#### **MANAGEMENT CONTRACTS**

Except as set out herein, there are no management functions of the Company which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company.

#### **ADDITIONAL INFORMATION**

Financial information is provided in the audited financial statements of the Company for the financial years ended August 31, 2021, 2020 and 2019 and in the related management discussion and analysis (together, the "**Financial Statements**"). The Financial Statements were filed on SEDAR on December 22, 2021, December 22, 2020 and December 19, 2019, respectively at [www.sedar.com](http://www.sedar.com) and will be placed before the Meeting.

Additional information relating to the Company and a copy of the Financial Statements may be obtained at [www.sedar.com](http://www.sedar.com), and upon request from the Company's head office at Suite 280 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, telephone: (604) 899-0106 or fax: (604) 684-5973. Copies of the above documents will be provided, upon request, free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

#### **OTHER MATTERS**

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of this Circular.

**SCHEDULE "A"**

**eXeBLOCK TECHNOLOGY CORPORATION**

**DEFERRED SHARE UNIT PLAN**

**March 16, 2022**

**TABLE OF CONTENTS**

<b>ARTICLE 1 PURPOSE.....</b>	<b>1</b>
<b>ARTICLE 2 DEFINITIONS .....</b>	<b>1</b>
<b>ARTICLE 3 ADMINISTRATION .....</b>	<b>4</b>
<b>ARTICLE 4 DEFERRED SHARE UNIT AWARDS.....</b>	<b>4</b>
<b>ARTICLE 5 PAYMENT OF BENEFITS.....</b>	<b>6</b>
<b>ARTICLE 6 PARTICIPANT’S ACCOUNT.....</b>	<b>7</b>
<b>ARTICLE 7 RIGHTS OF PARTICIPANTS.....</b>	<b>8</b>
<b>ARTICLE 8 AMENDMENT, SUSPENSION AND TERMINATION .....</b>	<b>8</b>
<b>ARTICLE 9 ADJUSTMENTS, REORGANIZATIONS AND DIVIDENDS.....</b>	<b>9</b>
<b>ARTICLE 10 DESIGNATION OF BENEFICIARIES .....</b>	<b>10</b>
<b>ARTICLE 11 TAX .....</b>	<b>11</b>
<b>ARTICLE 12 UNSECURED PLAN .....</b>	<b>11</b>
<b>ARTICLE 13 COMPLIANCE WITH APPLICABLE LAWS.....</b>	<b>11</b>
<b>ARTICLE 14 GENERAL .....</b>	<b>12</b>

## DEFERRED SHARE UNIT PLAN

### ARTICLE 1

#### PURPOSE

- 1.1 **Purpose.** The purpose of the Plan is to advance the interests of the Corporation and its Related Entities by retaining highly competent persons as Directors, Officers and Employees (as defined herein), to allow such persons to participate in the long term success of the Corporation, and to promote a greater alignment of interests between the participants designated under this Plan and the shareholders of the Corporation.
- 1.2 **Effective Date.** This Plan shall become effective upon receipt of shareholder approval and any requisite regulatory approvals, as applicable.

### ARTICLE 2

#### DEFINITIONS

- 2.1 **Definitions.** In this Plan, unless the context otherwise requires, the following terms shall have the following meanings:
- (a) **“Account”** means an account maintained for each Participant on the books of the Corporation, which will be credited with DSUs in accordance with the terms of this Plan;
  - (b) **“Administrator”** means the person or persons appointed from time to time by the Corporation to administer this Plan;
  - (c) **“Associate”** has the meaning assigned to it under the *Securities Act* (British Columbia);
  - (d) **“Award”** means a grant of DSUs to a Participant in accordance with Article 4 hereof;
  - (e) **“Beneficiaries”** means such individuals who, on the date of a Participant’s death, are the persons designated in accordance with this Plan and applicable laws to receive the value of the DSUs credited to the Participant on the date of death, or where no such individuals have been validly designated by the Participant, or where the individuals so designated do not survive the Participant, the Participant’s legal representative;
  - (f) **“Board”** means the board of directors of the Corporation, as constituted from time to time;
  - (g) **“business day”** means a day, other than Saturday, Sunday or a day on which the principal commercial banking institutions in Vancouver, British Columbia are, or the Exchange is, closed;

- (h) **“Committee”** means the Compensation Committee of the Board or such other committee of the Board comprised of members of the Board as the Board shall from time to time appoint to administer the Plan;
- (i) **“Common Shares”** means the common shares of the Corporation as currently constituted or, in the event of an adjustment as contemplated by Article 9, such other shares or securities to which a Participant may be entitled or on which the value of an Award may be based, as a result of such adjustment;
- (j) **“Corporation”** means eXeBlock Technology Corporation, and includes any successor thereof;
- (k) **“Deferred Share Units”** or **“DSUs”** means a unit credited by means of a bookkeeping entry to the account of an Eligible Participant in accordance with the provisions hereof, the value of which, on a particular date, shall be equal to the Market Price of one Common Share;
- (l) **“Director”** means a member of the board of directors of the Corporation or any of its Related Entities;
- (m) **“Eligible Participant”** means any Director, Officer or Employee of the Corporation or any Related Entity determined by the Committee as eligible for participation in this Plan;
- (n) **“Employee”** means an individual (other than a director or Officer) who:
  - (i) works for the Corporation or a Related Entity on a continuing and regular basis for a minimum amount of time per week providing services specified by the Corporation or the Related Entity and is subject to the control and direction of the Corporation or the Related Entity regarding both the method of performing or executing the services and the result to be effected,
  - (ii) works full-time for the Corporation or a Related Entity providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Related Entity over the details and method of work as an employee of the Corporation or the Related Entity, and for whom income tax deductions are made at source, or
  - (iii) works for the Corporation or a Related Entity on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Related Entity over the details and method of work as an employee of the Corporation or the Related Entity, but for whom income tax deductions are not made at source;

- (o) **“Exchange”** means the Canadian Securities Exchange, or **“CSE”**, or such other stock exchange on which such Common Shares are listed and posted for trading as may be selected for such purpose by the Board;
- (p) **“Insider”** means:
  - (i) an insider as defined in the *Securities Act* (British Columbia), and
  - (ii) an Associate of any person who is an insider by virtue of subsection 2.1(p)(i) above;
- (q) **“Market Price”** as at any date in respect of the Common Shares means the volume- weighted average price of the Common Shares on the Exchange for the five (5) trading days immediately preceding such date, but if such Common Shares did not trade on such trading days, the Market Price shall be average of the bid and ask prices in respect of such Common Shares at the close of trading on such trading day;
- (r) **“Officer”** means a senior officer of the Corporation or a Related Entity;
- (s) **“Participant”** means an Eligible Participant who holds an Award under the terms of this Plan;
- (t) **“Plan”** means this Deferred Share Unit Plan, as the same may be amended from time to time;
- (u) **“Regulations”** means the *Income Tax Regulations* (Canada) as amended from time to time;
- (v) **“Related Entity”** means with regard to the Corporation, a person that controls or is controlled by the Corporation or that is controlled by the same person that controls the Corporation;
- (w) **“Retirement”** means withdrawal from the Participant’s occupation or office with the Corporation or the Related Entity with no intention to return to the workforce;
- (x) **“Securities Act”** means the *Securities Act* (British Columbia) as amended from time to time;
- (y) **“Settlement Date”** has the meaning ascribed to it in Section 5.1 hereto;
- (z) **“Tax Act”** means the *Income Tax Act* (Canada) as amended from time to time; and
- (aa) **“Termination Date”** means the date on which for any reason a Participant ceases to be a Director, Officer or Employee of the Corporation, excluding any notice period awarded by the Corporation, or required by employment law or by court

judgments and includes termination from the Board, termination of employment, voluntary resignation, Retirement from the workforce, permanent disability or death of a Participant.

### ARTICLE 3 ADMINISTRATION

- 3.1 **General.** The Plan shall be administered by the Committee, under the supervision of the Board. The Committee has full and complete authority to interpret, construe and administer the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make any other determinations and perform all other acts that it deems necessary or desirable for the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems necessary or desirable. Any decision of the Committee in the interpretation, construction and administration of the Plan, or any action, all as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned for all purposes. Notwithstanding the foregoing, all actions of the Committee shall be such that the Plan continuously meets the conditions of paragraph 6801(d) of the Regulations and any other applicable provincial tax laws and regulations, or any successor provisions thereto and shall be subject to all requisite Exchange, regulatory and/or shareholder approvals, as required from time to time.
- 3.2 **Delegation of Administration.** The Committee may delegate to one or more of its members or an Administrator such administrative duties as it may deem advisable, including without limitation delegation to an Administrator of the authority to acquire Common Shares through the facilities of the Exchange for delivery to Participants in settlement of DSUs in accordance with the Plan. Any Committee or Administrator to whom duties have been delegated as aforesaid may employ one or more persons to render advice with respect to any responsibility the Committee or any Administrator may have under the Plan.
- 3.3 **Limitation of Liability.** No member of the Committee or the Board shall be liable for any action or determination made in good faith pursuant to the Plan. To the full extent permitted by law, the Corporation shall indemnify and save harmless each person made, or threatened to be made, a party to any action or proceeding by reason of the fact that such person is or was a member of the Committee or is or was a member of the Board and, as such, is or was required or entitled to take action pursuant to the terms of the Plan. The expenses of administering the Plan shall be borne by the Corporation.

### ARTICLE 4 DEFERRED SHARE UNIT AWARDS

- 4.1 **Grants of DSUs.** Subject to the provisions of this Plan, the Committee may grant DSUs to Eligible Participants.

#### 4.2 **Terms of DSUs.**

- (a) The Committee shall designate the number of DSUs granted. The issue price for each DSU shall be the Market Price of the Common Shares calculated as of the date of the Award.
- (b) Subject to subsection 4.2(a) hereof, DSUs shall be granted on such terms as shall be determined by the Board and set out in the award agreement, a form of which is attached hereto as Schedule A. Without limiting the generality of the foregoing, subject to the provisions of this Plan, the Committee shall, in its sole discretion and from time to time, determine the Eligible Participants to whom Awards will be made based on its assessment, for each Participant, of the anticipated contribution of such Eligible Participant to the success of the Corporation. At such time, the Committee shall also determine, in connection with each Award, the effective date thereof, the number of DSUs to be allocated, the terms and conditions of vesting, and such other terms and conditions which the Committee considers appropriate to the Award in question, and which terms and conditions need not be identical as between any two Awards, whether or not contemporaneous.
- (c) Notwithstanding any provisions of this Section 4.2, any Award and any determination made by the Committee in connection with any such Award shall be subject to confirmation by the Board.

#### 4.3 **Maximum Number of Common Shares and Limitations.** The number of DSUs issuable under the Plan, when combined with the number of Common Shares issuable under all other equity based compensation arrangements of the Corporation, shall not exceed 10% of the issued and outstanding Common Shares as at the date of such Award.

Notwithstanding anything else contained herein, the Corporation will not issue DSUs under this Plan where such Award would result in:

- (a) the total number of DSUs issuable at any time under this Plan to Insiders or any other persons, when combined with all other Common Shares issuable to Insiders or other persons under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Corporation;
- (b) the total number of DSUs that may be issued to Insiders or any other persons during any 12 month period under this Plan, when combined with all other Common Shares issued to Insiders or other persons under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Corporation;



- (c) the number of DSUs issuable to any single Insider or any other person, when combined with all other Common Shares issued to such Insider or other person under any other equity compensation arrangements then in place, exceeding 5% of the total number of issued and outstanding equity securities of the Corporation; or
- (d) the total number of DSUs that may be issued to any single Insider or any other person during any 12 month period under this Plan, when combined with all other Common Shares issued to such Insider or other person under any other equity compensation arrangements then in place, exceeding 5% of the total number of issued and outstanding equity securities of the Corporation.

4.4 **Redemption of DSUs.** Subject to the provisions of this Plan and the Award agreement, a DSU held by a Participant shall be redeemed by the Corporation with settlement to occur on the Settlement Date, unless otherwise determined by the Committee or agreed to between the Corporation and the Participant.

4.5 **Blackout Periods.** The Corporation may from time to time impose trading blackouts during which some or all Directors, Officers and Employees may not trade in the securities of the Corporation. In the event that a trading blackout is imposed by management or the Board in accordance with any insider trading policy that the Corporation may adopt from time to time, Participants subject to the blackout are prohibited from buying, selling or otherwise trading in securities of the Corporation until such time as notice is formally given by the Corporation that trading may resume.

Notwithstanding Section 4.4 hereof, if the Settlement Date of any Award of DSUs falls within such a blackout period, it shall be automatically extended to the date which is five Business Days following the end of such blackout period.

## ARTICLE 5 PAYMENT OF BENEFITS

5.1 **Settlement Date.** Subject to this Section 5.1, a Participant or the legal representative of the Participant's estate, as applicable, may elect up to five separate dates (each such date being a "**Settlement Date**") as of which either a portion or all of the number of DSUs credited to the Participant's Account, as may be adjusted pursuant to Section 9.1 hereof, shall be redeemed, by filing with the Committee, following such Participant's Termination Date, in the form and manner specified by the Committee, up to five irrevocable written elections.

Subject to any conditions imposed by the Committee, each Settlement Date elected by a Participant or the legal representative of the Participant's estate, as applicable, pursuant to this Section 5.1 shall not be:

- (a) before the later of: (i) 15 days after the date on which the election is filed with the

Corporation, and (ii) 30 days after the Participant's Termination Date; and

- (b) later than December 15 of the calendar year commencing immediately after the Participant's Termination Date.

Where a Participant or the legal representative of the Participant's estate, as applicable, does not elect a Settlement Date within the permissible period set out above, the Settlement Date for such Participant shall be a single Settlement Date, which shall be December 15 of the calendar year commencing immediately after such Participant's Termination Date.

- 5.2 **Payment of Benefits.** Subject to the provisions of this ARTICLE 5, after the Termination Date with respect to a Participant, the Corporation shall, in satisfaction of its obligations hereunder and in its sole discretion, subject to Section 5.3 herein, deliver to the Participant on the Settlement Date that number of Common Shares equal to the whole number of DSUs credited to his or her Participant Account as of the Settlement Date, no fraction DSU will be payable.

The Participant shall have no further entitlement under the Plan upon receipt of Common Shares.

- 5.3 **Settlements of DSUs with Common Shares.** In order to satisfy its settlement obligation, the Corporation will deliver Common Shares on a Settlement Date. The Corporation, at the discretion of the Board will issue such Common Shares from treasury.

- 5.4 **Termination or Resignation Prior to Vesting.** Unless the Board determines otherwise, if the employment of a Participant with the Corporation or a Related Entity is terminated with or without cause or such Participant resigns before a DSU has vested, the Participant shall have no right to any Common Shares in respect of such DSU.

- 5.5 **Retirement or Disability Prior to Vesting.** If a Participant's employment or engagement with the Corporation or a Related Entity terminates before a DSU has vested due to Retirement or disability, the Board may waive any vesting conditions and deliver Common Shares as contemplated in Section 5.2.

- 5.6 **Death of a Participant.** In the event of the death of a Participant prior to the settlement of the DSUs credited to his or her Account, the Board shall, on the Settlement Date, cause to be delivered to the estate of the Participant or such Participant's Beneficiary, the number of Common Shares such Participant would have been entitled to.

## ARTICLE 6 PARTICIPANT'S ACCOUNT

- 6.1 **Participant Accounts.** The Corporation shall maintain or cause to be maintained in its records an Account for each Participant recording at all times the number of DSUs credited to the Participant's Account. Upon payment in satisfaction of DSUs in

accordance with Article 5 above, the Participant's entitlement to receive any and all amounts in respect of DSUs so paid shall be fully discharged and satisfied and such DSUs shall be cancelled and thereupon deleted from the Account of such Participant.

- 6.2 **Annual Notice.** Upon a Participant's request, the Corporation shall deliver to such Participant an annual written notification of the balance of DSUs in the Participant's Account.

## ARTICLE 7 RIGHTS OF PARTICIPANTS

- 7.1 **No Right to Employment or Service.** Nothing in this Plan nor any action taken hereunder shall be construed as giving a Participant the right to be retained as a Director, Officer or Employee of the Corporation, or giving any Participant or any other person the right to receive any benefits not expressly provided in this Plan, nor shall it interfere in any way with any other right of the Corporation to terminate the employment or service of any Participant at anytime.
- 7.2 **Legal Ownership of Common Shares.** Under no circumstances shall DSUs be considered Common Shares nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership or control of Common Shares, including, without limitation, rights on liquidation, nor shall any Participant be considered the owner of any Common Shares to be delivered under this Plan until the date of issuance of such Common Shares, as determined by the Board, for the Account of such Participant as specifically provided herein.
- 7.3 **Prohibition on Transfer of Rights.** The rights or interests of a Participant under this Plan, including the DSUs, shall not be assignable or transferable, otherwise than in case of death as set out in this Plan, and such rights or interests shall not be encumbered by any means. Any attempt to so assign, transfer or encumber any such amount, whether presently or thereafter payable, shall be void and of no force or effect.

## ARTICLE 8 AMENDMENT, SUSPENSION AND TERMINATION

- 8.1 **Amendment of Plan.** This Plan may be amended at any time by the Board in its sole discretion, subject to applicable regulatory approval and the terms of this Plan; provided that, no such amendment shall, unless required by law, adversely affect the rights of any Participant with respect to DSUs to which the Participant is then entitled under this Plan, without the consent of the Participant, and any amendment shall be such that this Plan continuously meets the conditions and requirements of paragraph 6801(d) of the Regulations and any applicable provincial tax laws and regulations or any successor provisions thereto.
- 8.2 **Amendments without Shareholder Approval.** Without limiting the generality of the

foregoing, the Board may make the following amendments to the Plan, without obtaining shareholder approval:

- (a) amendments to the terms and conditions of the Plan necessary to ensure that the Plan complies with the applicable laws, regulations, rules, orders of governmental or regulatory authorities or the requirements of the Exchange in place from time to time;
- (b) amendments to the provisions of the Plan respecting administration of the Plan and eligibility for participation under the Plan;
- (c) amendments to the provisions of the Plan respecting the terms and conditions on which Awards may be made pursuant to the Plan;
- (d) amendments to the Plan that are of a "housekeeping" nature; and
- (e) and any other amendments, fundamental or otherwise, not requiring shareholder approval under applicable laws or applicable policies of the Exchange.

8.3 **Amendments Requiring Shareholder Approval.** Without limiting the generality of the foregoing, the Board may not, without the approval of the Corporation's shareholders, make the following amendments to the Plan:

- (a) an increase to the Plan maximum or the number of Common Shares issuable under the Plan;
- (b) amendment provisions granting additional powers to the Board to amend the Plan or entitlements thereunder;
- (c) extension of the termination or expiry of an Award or the removal or increase of insider participation limits; and
- (d) a change to the definition of "Eligible Participant".

8.4 **Termination of Plan.** The Board may, in its sole discretion and without the consent of any Participant, terminate the Plan at any time by giving written notice thereof to each Participant. Following termination of the Plan, additional DSUs shall not be credited to the Accounts of Participants except pursuant to ARTICLE 4 hereof. Notwithstanding the termination of the Plan, all amounts distributable under the Plan shall be paid to the persons entitled thereto on the dates on which such distributions would have been made had the Plan not been terminated.

## ARTICLE 9 ADJUSTMENTS, REORGANIZATIONS AND DIVIDENDS

9.1 **Capital Adjustments.**

- (a) The existence of DSUs shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any stock dividend, stock split, combination or exchange of shares, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin-off or other distribution of the Corporation's assets to shareholders or any other change affecting the Common Shares. However, such adjustments as are required to reflect such change shall be made with respect to each Participant's Account, as the Committee in its discretion may deem appropriate to reflect such change.
- (b) In the event that the Corporation has paid any dividends on the Common Shares since the credit of a DSU to a Participant Account (other than a dividend payable in Common Shares), there shall be credited to the Participant Account that number of additional DSUs equal to: (a) the product of the aggregate number of DSUs credited to the Participant Account prior to the payment of the dividend multiplied by the per share amount of such dividend (or, in the case of any dividend payable in property other than cash, the per share value of such dividend, as determined by the Board), divided by (b) the average of the bid and ask prices in respect of a Common Share on the date the dividend is declared.
- (c) In the event that the Corporation has paid any dividends on the Common Shares in additional Common Shares since the credit of a DSU to a Participant Account (other than a cash dividend payable in Common Shares at the election of the holder), the number of DSUs credited to the Participant Account shall be increased by a number equal to the product of (a) the aggregate number of DSUs credited to the Participant Account prior to the payment of the dividend, multiplied by (b) the number of Common Shares payable as a dividend on one Common Share.

9.2 **Fluctuation in Common Share Price.** No amount will be paid to, or in respect of, a Participant under this Plan or pursuant to any other arrangement, and no other DSUs will be granted to such Participants to compensate for a downward fluctuation in the price of a Common Share, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

## ARTICLE 10 DESIGNATION OF BENEFICIARIES

10.1 **Designation of Beneficiaries.** Subject to applicable law, a Participant may designate in writing one or more persons who are dependents or relations as Beneficiaries to receive any amount payable under this Plan on the death of such Participant, and may change such designations from time to time. Such designations shall be in such form and executed and filed in such manner as the Board or the Administrator may from time to time determine. If no Beneficiaries are designated, the Participant's legal representative will receive any amount payable under this Plan.

ARTICLE 11  
**TAX**

- 11.1 **Tax Consequences.** It is the responsibility of the Participant to complete and file any tax returns which may be required under any applicable tax laws within the periods specified in those laws as a result of the Participant's participation in this Plan. The Corporation shall not be responsible for any tax consequences to the Participant as a result of the Participant's participation in this Plan. The Participant shall remain responsible at all times for paying any federal, provincial, local and foreign income or employment tax due with respect to any Award, and the Corporation shall not be liable for any interest or penalty that a Participant incurs by failing to make timely payments of tax.
- 11.2 **Withholding Requirements.** Prior to the delivery of any Common Shares under this Plan, the Corporation shall have the power and the right to deduct or withhold, or to require a Participant to remit to the Corporation, an amount sufficient to satisfy any federal, provincial, local and foreign taxes, pension plan contributions, employment insurance premiums and any other required deductions (collectively referred to herein as "**withholding taxes**") that the Corporation determines is required to be withheld to comply with applicable laws. The Corporation shall make any withholdings or deductions in respect of withholding taxes as required by law or the interpretation or administration thereof. The Corporation shall be entitled to make arrangements to sell a sufficient number of Common Shares to be issued pursuant to the Plan to fund the payment and remittance of withholding taxes that are required to be deducted or withheld and any associated costs (including brokerage fees).

ARTICLE 12  
**UNSECURED PLAN**

- 12.1 **Unsecured Plan.** Unless otherwise determined by the Board, this Plan will at all times remain unfunded and the obligations of the Corporation under this Plan shall be general unsecured obligations of the Corporation and any amounts due to Participants under this Plan shall be paid out of the general assets of the Corporation. The Corporation shall not segregate any assets for the purpose of funding its obligations with respect to DSUs credited hereunder. Neither the Corporation nor the Committee shall be deemed to be a trustee of any amounts to be distributed or paid pursuant to the Plan. No liability or obligation of the Corporation pursuant to the Plan shall be deemed to be secured by any pledge of, or encumbrance on, any property of the Corporation or any Related Entity.

ARTICLE 13  
**COMPLIANCE WITH APPLICABLE LAWS**

- 13.1 **Compliance with Applicable Laws.** Any obligation of the Corporation with respect to the Common Shares in accordance with the terms of this Plan is subject to compliance with all applicable laws, regulations, rules, orders of governmental or regulatory authorities and the requirements of the Exchange. Each Participant shall comply with all such laws,

regulations, rules, orders and requirements, and shall furnish the Corporation with any and all information and undertakings as may be required to ensure compliance therewith.

- 13.2 **Restrictive Legend.** If applicable, all certificates or other documents representing securities pursuant to the Plan issued to a “U.S. person” as defined in Rule 902(k) of Regulation S promulgated under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) will bear the applicable restrictive legend referring to the U.S. Securities Act, which will state, without limitation, that such securities have not been registered under the Securities Act and will set forth or refer to the applicable restrictions on transferability and sale thereof.

In addition to the foregoing restrictive legend, certificates representing any securities issued pursuant to the Plan may bear such additional restrictive legends as the Board or Committee may in their sole discretion determine are required to comply with applicable securities laws or stock exchange requirements.

#### ARTICLE 14 GENERAL

- 14.1 **No Representation.** The Corporation makes no representation or warranty as to the future market of the Common Shares.
- 14.2 **Governing Law.** This Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. The Participants and Corporation hereby attorn to the jurisdiction of the courts of the Province of British Columbia with respect to any and all actions in relation thereto.
- 14.3 **Severability.** If any provision of this Plan is determined to be void or unenforceable in whole or in part, such void or unenforceable provision shall be severed from the remainder of this Plan and such determination shall not affect the validity or enforceability of any other provision.
- 14.4 **Headings.** Headings are for ease of reference only and shall not affect the interpretation or construction of the provisions hereof.
- 14.5 **Successors and Assigns.** This Plan shall be binding on all successors and assigns of the Corporation and any Participant, including without limitation, the estate of such Participant and the executor, liquidator, administrator or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant’s creditors.

**SCHEDULE "A" TO THE DEFERRED SHARE PLAN**

**eXeBLOCK TECHNOLOGY CORPORATION**

**DEFERRED SHARE UNIT GRANT AGREEMENT**

This **DEFERRED SHARE UNIT GRANT AGREEMENT** is made as of the \_\_\_ day of \_\_\_\_\_, 20\_\_\_ between eXeBLOCK TECHNOLOGY CORPORATION (the "**Corporation**") and the undersigned (the "**Participant**"), being a director, officer or employee or consultant of the Corporation or an affiliate of the Corporation designated pursuant to the terms of the Deferred Share Unit Plan of the Corporation, as may be amended from time to time (the "**Plan**").

In consideration for the grant of DSUs made to the Participant pursuant to the Plan (the receipt and sufficiency of which are hereby acknowledged), the Participant hereby agrees and confirms that:

1. The Participant has received a copy of the Plan and has read, understands and agrees to be bound by the provisions of the Plan. The Participant acknowledges, among other things, that the Plan contains provisions relating to termination and restricting the transfer of rights or interests of Participants under the Plan.
2. The Participant accepts and consents to and shall be deemed conclusively to have accepted and consented to, and agreed to be bound by, the provisions and all terms of the Plan and all *bona fide* actions or decisions made by the Board, the Committee, or any person to whom the Committee may delegate administrative duties and powers in relation to the Plan, which terms and content shall also apply to and be binding on all successors and assigns of the Corporation and the Participant, including the estate of such Participant and the executor, liquidator, administrator or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant's creditors.
3. On \_\_\_\_\_, 20\_\_\_, the Participant was granted \_\_\_\_\_ DSUs to receive one DSU Share of the Corporation for each DSU subject to the provisions of the Plan, which grant is evidenced by this Agreement. The DSUs shall be subject to the following terms:

***[Describe the terms and conditions of vesting, and such other terms and conditions which the Committee considers appropriate.]***

4. This Agreement shall be considered as part of and an amendment to the employment or service agreement between the Participant and the Corporation and the Participant hereby agrees that the Participant will not make any claim under that employment or service agreement for any rights or entitlement under the Plan or damages in lieu thereof, except as expressly provided in the Plan.
5. Participants who are "insiders" of the Corporation are required to file an insider report under Canadian securities laws in respect of the grant of DSUs and upon future



conversion of these DSUs into DSU Shares and any subsequent sales of such DSU Shares.

6. In the event of any inconsistency between the terms of this Agreement and the Plan, the terms of this Agreement shall prevail to the extent that it is not inconsistent with the requirements of the CSE.

This Agreement shall be determined in accordance with the laws of British Columbia and the laws of Canada applicable therein.

Words used herein which are defined in the Plan shall have the respective meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first above written.

**eXeBLOCK TECHNOLOGY CORPORATION**

By: \_\_\_\_\_  
(Authorized Signing Officer)  
Name:  
Title:

Accepted: \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
[Name]

**SCHEDULE "B"**

**eXeBLOCK TECHNOLOGY CORPORATION**

**RESTRICTED SHARE UNIT PLAN**

**March 16, 2022**

**TABLE OF CONTENTS**

**ARTICLE 1 PURPOSE ..... 1**

**ARTICLE 2 DEFINITIONS ..... 1**

**ARTICLE 3 ADMINISTRATION ..... 6**

**ARTICLE 4 RSU SHARES SUBJECT TO THE PLAN ..... 7**

**ARTICLE 5 GRANTS ..... 7**

**ARTICLE 6 TERMS AND CONDITIONS OF RESTRICTED SHARE UNITS ..... 9**

**ARTICLE 7 EFFECTS OF ALTERATION OF SHARE CAPITAL ..... 13**

**ARTICLE 8 AMENDMENT AND TERMINATION ..... 14**

**ARTICLE 9 CERTAIN SECURITIES LAW MATTERS ..... 15**

**ARTICLE 10 MISCELLANEOUS PROVISIONS ..... 16**

**ARTICLE 11 EFFECTIVE DATE AND TERM OF THE PLAN ..... 17**

ARTICLE 1  
PURPOSE

**1.1 Purpose**

The purpose of the Plan is to assist the Corporation and its Related Entities in attracting and retaining individuals with experience and exceptional skill, to allow selected executives, key employees, consultants and directors of the Corporation or a Related Entity to participate in the long term success of the Corporation or the Related Entity and to promote a greater alignment of interests between the participants designated under this Plan and the shareholders of the Corporation.

ARTICLE 2  
DEFINITIONS

**2.1 Definitions**

For purposes of the Plan, the terms contained in this Article 2 shall have the following meanings.

- (a) **“Administrator”** means the person or persons appointed from time to time by the Corporation to administer this Plan.
- (b) **“Associate”** has the meaning assigned to it under the *Securities Act* (British Columbia);
- (c) **“Board”** means the board of directors of the Corporation, as constituted from time to time.
- (d) **“business day”** means a day, other than Saturday, Sunday or a day on which the principal commercial banking institutions in Vancouver, British Columbia are, or the Exchange is, closed.
- (e) **“Change in Control”** means:
  - (i) an acquisition of securities of the Corporation (including securities convertible into Common Shares and/or other securities of the Corporation ("**Convertible Securities**")) as a result of which a person or group other than one or more present control persons (as defined in the *Securities Act* (British Columbia) in respect of the Corporation (an "**Acquiror**") owns beneficially Common Shares or other securities of the Corporation and/or Convertible Securities such that, assuming the conversion of Convertible Securities owned beneficially by the Acquiror but not by any other holder of Convertible Securities, the Acquiror would own beneficially (A) not less than 20% of the Common Shares or (B) shares which would entitle the holders thereof to cast not less than 20% of the votes attaching to all shares in the capital of the Corporation which may

be cast to elect directors of the Corporation;

- (ii) an amalgamation, merger or other business combination of the Corporation with or into any one or more other corporations, other than: (A) an amalgamation, merger or other business combination of the Corporation with or into a Related Entity; or (B) an amalgamation, merger or other business combination of the Corporation unanimously recommended by the Board provided that the former holders of Common Shares receive, in the aggregate and in their capacities as such, shares of the amalgamated, merged or resulting entity having attached thereto not less than 20% of the votes attached to all shares of such amalgamated, merged or resulting entity;
  - (iii) the election at a meeting of the Corporation's shareholders of that number of persons which would represent a majority of the Board as Directors, who are not included in the slate for election as Directors proposed to the Corporation's shareholders by management of the Corporation or a transaction or series of transactions as a result of which a majority of the Directors are removed from office at any annual or special meeting of shareholders, or a majority of the Directors resign from office over a period of 60 days or less, and the vacancies created thereby are filled by nominees proposed by any person other than Directors or management of the Corporation in place immediately prior to the removal or resignation of the Directors;
  - (iv) the completion of any transaction or the first of a series of transactions which would have the same or similar effect as any transaction or series of transactions referred to in subsections (i), (ii) or (iii) referred to above; or
  - (v) a determination by the Board that there has been a change, whether by way of a change in the holding of the Common Shares, in the ownership of the Corporation's assets or by any other means, as a result of which any person or group of persons acting jointly or in concert is in a position to exercise effective control of the Corporation.
- (f) **"CIC Share"** means the following with respect to each Covered RSU:
- (i) the sum of: (A) the number of Consideration Shares (as defined below), rounded to the nearest whole number, that is equal to the product of (x) one Common Share multiplied by (y) the number of Consideration Shares (as defined below) received by the shareholders of the Corporation in respect of one Common Share, if, in connection with the transaction constituting the Change in Control, the shareholders of the Corporation exchange their Common Shares for, or otherwise convert their Common Shares into, shares of equity securities of the acquiror (or its direct or

indirect parent) (such shares of equity securities, the “Consideration Shares”); and (B) the amount, if any, that is equal to the product of (x) one Common Share multiplied by (y) any cash or other property, the fair market value of which shall be determined by the Board (as constituted immediately prior to the effective date of such Change in Control), received by the shareholders of the Corporation in respect of one Common Share, in connection with such transaction; and

- (ii) in the case of all other transactions constituting the Change in Control, one Common Share, as adjusted pursuant to Article 7 hereof in connection with such transaction, if applicable; and, in each case, as further adjusted pursuant to Article 7, if applicable, in respect of covered events occurring after such Change in Control.
- (g) “**Committee**” means the Compensation Committee of the Board or such other committee of the Board comprised of members of the Board as the Board shall from time to time appoint to administer the Plan.
- (h) “**Common Shares**” means the common shares in the capital of the Corporation, or in the event of an adjustment contemplated by Article 7 hereof, such other shares or securities to which the Participant may be entitled under the Grant.
- (i) “**Consultant**” means a consultant as such term is defined in National Instrument 45-106 *Prospectus and Registration Exemptions*, Division 4.
- (j) “**Corporation**” means eXeBlock Technology Corporation, and includes any successor corporation thereof.
- (k) “**Covered RSU**” means, with respect to each Grant that is outstanding on the effective date of a Change in Control, the number of RSUs that would have been issued to a Participant on the applicable Release Date and settled in the form of RSU Shares (or cash equivalent, as applicable) had (A) the Participant continued in the employment or service of the Corporation until such Release Date and (B) subject to the sole discretion of the Board, all Performance Criteria, if any, applicable to such Grant (determined without regard to the occurrence of the Change in Control) been met during the applicable Performance Period, if any.
- (l) “**Designated Person**” means a Director, Officer, Employee, or Consultant who is designated by the Committee as being eligible for participation in the Plan.
- (m) “**Director**” means a non-executive director of the Corporation or a director of a Related Entity.
- (n) “**Effective Date**” means, unless otherwise determined by the Board when confirming a Grant, the date determined by the Committee, in accordance with

Article 5 hereof, as being the date on which such Grant shall take effect, provided that the Effective Date shall not be a date prior to the date on which the Board confirms the Grant and, unless otherwise determined, the Effective Date will be the date on which the Board confirms the Grant.

- (o) **“Employee”** means an individual (other than a Director or Officer) who:
  - (i) works for the Corporation or a Related Entity on a continuing and regular basis for a minimum amount of time per week providing services specified by the Corporation or the Related Entity and is subject to the control and direction of the Corporation or the Related Entity regarding both the method of performing or executing the services and the result to be effected,
  - (ii) works full-time for the Corporation or a Related Entity providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Related Entity over the details and method of work as an employee of the Corporation or the Related Entity, and for whom income tax deductions are made at source, or
  - (iii) works for the Corporation or a Related Entity on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Related Entity over the details and method of work as an employee of the Corporation or the Related Entity, but for whom income tax deductions are not made at source.
- (p) **“Exchange”** means the Canadian Securities Exchange or **“CSE”**, or such other stock exchange on which such Common Shares are listed and posted for trading as may be selected for such purpose by the Board.
- (q) **“Grant”** means an award of RSUs allocated to a Designated Person in respect of services rendered to the Corporation or Related Entity in the year of such Grant in accordance with Article 5 hereof.
- (s) **“Insider”** means:
  - (i) an insider as defined in the *Securities Act* (British Columbia), and
  - (ii) an Associate of any person who is an insider by virtue of subsection 2.1(s)(i) above;
- (t) **“Investor Relations Activities”** has the meaning set forth in the CSE’s policies, as amended from time to time.
- (u) **“Market Price”** as at any date in respect of the Common Shares means the closing

volume-weighted average price of the Common Shares on the Exchange for the five trading days immediately preceding such date, but if such Common Shares did not trade on such trading days, the Market Price shall be average of the bid and ask prices in respect of such Common Shares at the close of trading on such trading day.

- (v) “**Officer**” means a chairman or vice-chairman of the Board, chief executive officer, chief operating officer, chief financial officer, president, vice president, secretary, assistant secretary, treasurer, assistant treasurer and a general manager of the Corporation or of a Related Entity and any person routinely performing corresponding functions with respect to the Corporation or a Related Entity.
- (w) “**Participant**” means a Designated Person to whom a Grant has been made in accordance with Article 5 hereof.
- (x) “**Performance Criteria**” means criteria established by the Committee in respect of each Grant, if any, which, without limitation, may include criteria based on the financial performance of the Corporation and/or any Related Entity thereof.
- (y) “**Performance Period**” means the period established by the Committee in respect of each Grant, if any, which period shall commence and end on the dates designated by the Committee.
- (z) “**Permanent Disability**” means a mental or physical disability which has caused the substantial withdrawal of the Participant’s effective services to the Corporation or Related Entity, as the case may be, for six consecutive months or a cumulative period of twelve months over a period of thirty-six consecutive months, or such other permanent disability of a Participant and/or for such other period as determined by the Committee in its sole and absolute discretion.
- (aa) “**Plan**” means this Restricted Share Unit Plan as the same may be further amended from time to time.
- (bb) “**Related Entity**” means, with regard to the Corporation, a person that controls or is controlled by the Corporation or that is controlled by the same person that controls the Corporation.
- (cc) “**Release Date**” means in respect of each Grant, unless otherwise determined by the Committee, the tenth business day following the occurrence of the event giving rise to the issuance of the RSU Shares in accordance with the provisions of the Plan, or pursuant to the vesting provisions or Performance Period of the RSUs.
- (dd) “**Retirement**” means withdrawal from the Participant’s occupation or office with the Corporation or a Related Entity with no intention to return to the workforce, provided that Retirement prior to the age of 60 shall be subject to the Board’s



review and discretion.

- (ee) “**RSU**” means a restricted share unit allocated to a Designated Person in accordance with Article 5 hereof which shall, upon issuance in accordance with and subject to the provisions of the Plan, entitle the holder thereof to receive one RSU Share.
- (ff) “**RSU Grant Agreement**” means each agreement with a Participant containing the terms and conditions of each Grant, such agreement to be in form and substance similar to the form of Restricted Share Unit Grant Agreement contained in Schedule A hereof.
- (gg) “**RSU Shares**” means the Common Shares delivered to Participants in accordance with the provisions of the Plan in settlement of RSUs issued under the Plan.
- (hh) “**U.S. Securities Act**” has the meaning ascribed to it in Section 9.1 herein.

## **2.2 Interpretations**

Any reference to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.

# **ARTICLE 3 ADMINISTRATION**

## **3.1 Committee**

The Plan shall be administered by the Committee under the supervision of the Board.

In addition to the other powers granted to the Committee under the Plan and subject to the terms of the Plan, the Committee shall have full and complete authority to interpret the Plan. The Committee may from time to time prescribe such rules and regulations and make all determinations necessary or desirable for the administration of the Plan. In particular, the Committee shall select the Designated Persons to whom it recommends Grants shall be made and shall determine the amounts and terms of the Grants (including the related Performance Criteria, if any, and the formula, if any, to be used to determine the number of RSUs to be issued based on the level of achievement of such Performance Criteria), and the extent to which the Performance Criteria to be achieved during the Performance Period, if any, has been achieved. Any such interpretation, rule, determination or other act of the Committee and/or the Administrator shall be conclusively binding upon all persons, including the Participants and their legal representatives and beneficiaries.

## **3.2 Delegation of Administration**

The Committee may, subject to the terms of the Plan, delegate to third parties, including the Administrator if one is appointed, the whole or any part of the administration of the Plan and

shall determine the scope of such delegation. Any decision made by the Committee or the Administrator in carrying out its responsibilities with respect to the administration of the Plan shall be final and binding on the Participants.

### **3.3 Limitation of Liability**

No member of the Committee or the Board shall be liable for any action or determination made in good faith pursuant to the Plan. To the full extent permitted by law, the Corporation shall indemnify and save harmless each person made, or threatened to be made, a party to any action or proceeding by reason of the fact that such person is or was a member of the Committee or is or was a member of the Board and, as such, is or was required or entitled to take action pursuant to the terms of the Plan.

### **3.4 Fees**

Except as Participants may otherwise be advised by prior written notice of at least 30 days, all costs of the Plan, including any administration fees, shall be paid by the Corporation; provided, however, the Corporation's responsibility for administration fees does not include tax consequences to the Participant of his/her receipt of RSUs or RSU Shares, which shall be the exclusive responsibility of the Participant.

## **ARTICLE 4 RSU SHARES SUBJECT TO THE PLAN**

The Corporation shall not be required to issue and/or cause to be delivered Common Shares or issue and/or cause to be delivered certificates evidencing Common Shares to be delivered pursuant to the Plan unless and until such issuance and delivery is in compliance with all applicable laws, regulations, rules, orders of governmental or regulatory authorities and the requirements of the Exchange. The Corporation shall not in any event be obligated to take any action to comply with any such laws, regulations, rules, orders or requirements. Subject to the foregoing, the Board may authorize from time to time the issuance by the Corporation of Common Shares from treasury.

## **ARTICLE 5 GRANTS**

### **5.1 Maximum Number of Common Shares and Limitations**

The number of RSUs issuable under this Plan, when combined with the number of Common Shares issuable under all other security-based compensation arrangements of the Corporation, shall not exceed 10% of the issued and outstanding Common Shares as at the date of such Grant.

Notwithstanding anything else contained herein, the Corporation will not issue RSUs under this Plan where such Award would result in:

- (a) the total number of RSU Shares issuable at any time under this Plan to Insiders or any other persons, when combined with all other Common Shares issuable to Insiders or other persons under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Corporation;
- (b) the total number of RSU Shares that may be issued to Insiders or any other persons during any 12 month period under this Plan, when combined with all other Common Shares issued to Insiders or other persons under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Corporation;
- (c) the number of RSU Shares issuable to any single Insider or any other person, when combined with all other Common Shares issued to such Insider or other person under any other equity compensation arrangements then in place, exceeding 5% of the total number of issued and outstanding Common Shares of the Corporation;  
or
- (d) the total number of RSU Shares that may be issued to any single Insider or any other person during any 12 month period under this Plan, when combined with all other Common Shares issued to such Insider or other person under any other equity compensation arrangements then in place, exceeding 5% of the total number of issued and outstanding equity securities of the Corporation.

Notwithstanding anything else contained herein, the number of RSU Shares of the Corporation which are (i) issuable at any time, and (ii) issued within any one year period, to any person performing Investor Relations Activities or a Designated Person performing any other consulting activities for the Corporation pursuant to the terms of this Plan and under any other equity based compensation arrangement, shall not exceed 1.0% of the Corporation's total issued and outstanding Common Shares.

## **5.2 Terms of Grants**

Subject to the provisions of the Plan, the Committee shall, in its sole discretion and from time to time, determine the Designated Persons to whom it recommends that Grants be made based on their current and potential contribution to the success of the Corporation. At such time, the Committee shall also:

- (a) determine, in connection with each Grant, the Effective Date thereof and the number of RSUs to be allocated, subject to blackout periods pursuant to Section 5.3 herein.
- (b) determine, in connection with each Grant, the vesting dates and the Performance Period, if any, applicable thereto;

- (c) determine, in connection with each Grant, the Performance Criteria, if any, to be achieved during the Performance Period in order for RSU Shares to be issued to the Participant; and
- (d) determine the other terms and conditions (which need not be identical and which, without limitation, may include conditions on the allocation, issuance and/or settlement of RSUs, and non-competition provisions) of all RSUs covered by any Grant.

Notwithstanding any provisions of this Section 5.2, any Grant and any determination made by the Committee in connection with any such Grant as provided shall be subject to confirmation by the Board, and both the Corporation and the Participant are responsible for ensuring and confirming that the Participant is a *bona fide* Designated Person.

### **5.3 Blackout Periods**

The Corporation may from time to time self-impose trading blackouts during which some or all Directors, Officers, Employees, and Consultants may not trade in the securities of the Corporation. In the event that a trading blackout is imposed by management or the Board, in accordance with any insider trading policy that the Corporation may adopt from time to time, Participants subject to the blackouts are prohibited from buying, selling or otherwise trading in securities of the Corporation until such time as notice is formally given by the Corporation that trading may resume.

If the Effective Date of any Grant, or the date of vesting of any Grant, falls within such a blackout period, it shall be automatically extended to the date which is ten business days following the end of such blackout period.

## **ARTICLE 6**

### **TERMS AND CONDITIONS OF RESTRICTED SHARE UNITS**

#### **6.1 RSU Grant Agreement**

Each Grant shall be evidenced by an RSU Grant Agreement containing the terms and conditions required under the Plan and such other terms and conditions not inconsistent herewith as the Committee may deem appropriate. The Corporation shall deliver a copy of the Plan and the respective RSU Grant Agreement to each Participant who receives any Grant under the Plan before, or as soon as practicable after, the time of such Grant. Certificates need not be issued with respect to RSUs covered by a Grant or RSUs when issued. The Corporation or the Administrator shall maintain records showing the number of RSUs allocated to each Participant under the Plan. The RSU Grant Agreement may deal with some or all of the matters set forth in the remainder of this Article 6.

#### **6.2 Number of RSUs and Entitlement to Common Shares**

Each RSU Grant Agreement shall state the number of RSUs allocated to the Participant and state

that each such RSU shall upon vesting, subject to and in accordance with the terms of the Plan, entitle the Participant to receive one RSU Share, subject to the provisions of Section 10.2 with respect to withholding taxes, pension plan contributions, employment insurance premiums or other deductions.

### **6.3 Performance Criteria**

Each RSU Grant Agreement shall describe the Performance Criteria, if any, for the Performance Period, if any, established by the Committee that must be achieved for RSU Shares to be issued to the Participant.

### **6.4 Vesting and Settlement of RSUs**

- (a) Subject to any employee benefit or other share compensation plan approved by the Board, the Committee shall prescribe the terms and conditions of vesting of each Grant and the vesting period; provided that for any person performing Investor Relations Activities for the Corporation such vesting period must vest in stages over a period of not less than 12 months with no more than  $\frac{1}{4}$  of the RSUs vesting in any three month period. The Corporation must publicly announce by press release at the time of the Grant, any RSUs granted to Designated Persons who undertake Investor Relations Activities.
- (b) Provided that the Participant is continuously employed with, or providing services to, the Corporation from the Effective Date of such Grant to the Release Date, the Participant shall be entitled to receive on the applicable Release Date, in full settlement of the RSUs that have vested, a number of RSU Shares equal to such number of RSUs vested, all in accordance with Section 6.2 herein and subject to the provisions of Section 10.2 with respect to withholding taxes, pension plans contributions, employment insurance premiums or other deductions.

### **6.5 Rights in the Event of Death, Retirement or Termination of Employment or Service**

Unless otherwise determined by the Committee:

#### *Death*

- (a) Subject to Section 6.5(b), in the event of the death of a Participant while in the employment or service of the Corporation, the deceased Participant's estate shall receive, with respect to each Grant then outstanding to such Participant for which RSU Shares have not otherwise been issued prior to the date of death, an RSU settlement in the form of RSU Shares on the next Release Date on which all or a portion of the RSU Shares would otherwise be issued, if at all, in accordance with the Plan had the Participant not died and continued in the employment or service of the Corporation or the Related Entity, as applicable, until such Release Date.

- (b) If Performance Criteria are attached to any deceased Participant's RSU, in the event of death of a Participant following the end of the Performance Period, if any, but prior to a Release Date, the Committee shall determine in its sole discretion the number of RSU Shares to be delivered to the Participant's estate with respect to such RSUs.

Any remaining RSUs for which settlement has not been made as aforesaid, shall be forfeited and shall terminate.

*Termination Without Cause, Retirement or Permanent Disability*

- (c) In the event of termination without cause, Retirement or Permanent Disability of a Participant, with respect to each Grant then outstanding to such Participant for which RSU Shares have not been issued prior to the date of termination without cause, Retirement or Permanent Disability, the RSU Shares covered by any such Grant shall be issued to the Participant in accordance with and subject to the Plan, on a *pro rata* basis to reflect the proportion of the Performance Period of the Grant worked by the Participant prior to such termination without just cause, Retirement or Permanent Disability.

Any remaining RSUs for which settlement has not been made as aforesaid, shall be forfeited and shall terminate.

For purposes of this provision, the date of termination without cause, Retirement or permanent Disability shall be the last day on which the Participant provides services to the Corporation or Related Entity, as the case may be, at its premises, and not the last day of any notice period or upon which the Corporation or Related Entity pays wages or salaries in lieu of notice of termination, statutory, contractual or otherwise.

*Voluntary Resignation or Termination for Cause*

- (d) In the event a Participant's voluntary resignation (other than due to Retirement) or termination of employment or service for cause and unless otherwise provided in an employment or other service contract between the Participant and the Corporation or a Related Entity, the RSUs covered by each Grant then outstanding to such Participant for which RSU Shares have not been issued prior to such voluntary resignation or termination shall be forfeited and all such Grants shall expire in their entirety. Any such voluntary resignation or termination of employment or service for cause shall not entitle a Participant to any compensation for loss of any benefit under the Plan.

For the purposes of the foregoing paragraph, the date of voluntary resignation or termination shall be the last day upon which the Participant provides services to the Corporation or Related Entity, as the case may be, at its premises and not the

last day of any notice period or upon which the Corporation or Related Entity pays wages or salaries in lieu of notice of termination, statutory, contractual or otherwise.

## **6.6 Automatic Termination of RSUs**

Subject to Section 6.5, RSUs granted pursuant to the Plan shall terminate automatically on the earlier of:

- (a) the date on which such RSUs are issued in the form of RSU Shares, in respect of all of the RSUs granted thereunder; and
- (b) the expiry date of such RSUs as determined by the Committee or by law.

## **6.7 Rights in the Event of a Change in Control**

In the event of the occurrence of a Change in Control, and unless otherwise determined by the Committee, or otherwise addressed in the Participant's employment or service contract or share compensation plan approved by the Board (which shall have controlling effect), with respect to each Grant outstanding on the effective date of such Change in Control,

- (a) Subject to the sole discretion of the Board, all Covered RSUs shall vest as of the effective date of such Change in Control; PROVIDED THAT where a Grant was made to a person providing Investor Relations Activities, the Board's declaration that such RSU Shares be vested, is subject to prior approval of the Exchange. The Board shall give each Participant as much notice as possible of the acceleration of the vesting of the RSUs under this section, except that not less than 5 business days and not more than 35 days' notice is required; and
- (b) each Participant shall, on the Release Date which would have applied had the Change in Control not occurred, be entitled to receive from the Corporation, in full settlement of an RSU covered by such Grant, one of the following, at the sole discretion of the Committee, for each Covered RSU:
  - (i) one CIC Share; or
  - (ii) the number of Consideration Shares rounded to the nearest whole number, that is equal to the sum of:
    - (A) the number of Consideration Shares received by the shareholders of the Corporation in respect of one Common Share; and
    - (B) the number of Consideration Shares that the Board determines represents the fair market value of any cash or other property received by the shareholders of the Corporation in respect of one Common Share;

provided that such Participant is continuously employed by or providing services to the Corporation from the Effective Date of such Grant to the effective date of such Change in Control.

#### **6.8 Non-Transferability**

The rights or interests of a Participant under the Plan shall not be assignable or transferable, otherwise than by will or the laws governing the devolution of property in the event of death and such rights or interests shall not be encumbered.

#### **6.9 RSUs Not Common Shares**

Under no circumstances shall a Grant of an RSU be considered a Common Share, nor shall a Grant of an RSU entitle any Participant to the exercise of voting rights, the receipt of dividends or the exercise of any other rights attaching to ownership of a Common Share, until delivery of an RSU Share in settlement of such RSU in accordance with the terms of the Plan. Notwithstanding the foregoing, the Committee may determine the extent to which a Participant may be entitled to exercise any voting rights, receive dividends or exercise any other rights attaching to ownership of such Common Shares.

#### **6.10 RSU Shares Fully Paid**

RSU Shares, if issued by the Corporation to settle RSUs under the Plan, shall be considered fully paid in consideration of past service that is no less in value than the fair equivalent of the money the Corporation would have received if the RSU Shares had been issued for money.

### **ARTICLE 7 EFFECTS OF ALTERATION OF SHARE CAPITAL**

#### **7.1 Adjustments**

In the event that:

- (a) a dividend shall be declared upon the Common Shares payable in Common Shares of the Corporation;
- (b) the outstanding Common Shares shall be changed into or exchanged for a different number or kind of shares or other securities of the Corporation or of another corporation, whether through an arrangement, plan of arrangement, amalgamation or other similar statutory procedure, or a share recapitalization, subdivision or consolidation;
- (c) there shall be any change, other than those specified in subparagraphs (a) and (b) of this Section, in the number or kind of outstanding Common Shares or of any shares or other securities into which such Common Shares shall have been changed or for which they shall have been exchanged; or



- (d) there shall be a distribution of assets or shares to shareholders of the Corporation out of the ordinary course of business,

then, if the Board shall in its sole discretion determine that such change equitably requires an adjustment in the number of RSUs with respect to which Grants may be made pursuant to the Plan but not yet covered by Grants, of the RSUs then covered by Grants, of the RSUs generally available for Grants under the Plan and of the RSUs available for Grants under the Plan in any calendar year, such adjustment shall be made by the Board and shall be effective and binding for all purposes.

## **7.2 No Fractional RSUs**

No adjustment provided for in this Section shall entitle a Participant to be allocated a fractional RSU, or receive a fractional RSU Share or any payment in lieu thereof, and the total adjustment with respect to each RSU shall be limited accordingly.

# **ARTICLE 8 AMENDMENT AND TERMINATION**

## **8.1 Generally**

The Board may from time to time amend, suspend or terminate the Plan in whole or in part. The Committee may from time to time amend the terms of Grants made under the Plan, subject to confirmation by the Board and the obtaining of any required regulatory, shareholder, or other approvals and, if any such amendment will materially adversely affect the rights of a Participant with respect to a Grant, the obtaining of the written consent of such Participant to such amendment. Notwithstanding the foregoing, (i) the obtaining of the written consent of any Participant to an amendment which materially adversely affects the rights of such Participant with respect to a Grant shall not be required if such amendment is required to comply with applicable laws, regulations, rules, orders of governmental or regulatory authorities or the Exchange and (ii) no amendment may be made to Section 6.7 of the Plan or to the defined terms referred to in Section 6.7 on or after the effective date of such Change in Control.

## **8.2 Amendments without Shareholder Approval**

Without limiting the generality of the foregoing, the Board may make the following amendments to the Plan, without obtaining shareholder approval:

- (a) amendments to the terms and conditions of the Plan necessary to ensure that the Plan complies with the applicable laws, regulations, rules, orders of governmental or regulatory authorities or the requirements of the Exchange in place from time to time;
- (b) amendments to the provisions of the Plan respecting administration of the Plan and eligibility for participation under the Plan;

- (c) amendments to the provisions of the Plan respecting the terms and conditions on which Grants may be made pursuant to the Plan, including the provisions relating to the Effective Date, Performance Criteria, vesting and Performance Period;
- (d) amendments to the Plan that are of a "housekeeping" nature; and
- (e) and any other amendments, fundamental or otherwise, not requiring shareholder approval under applicable laws or applicable policies of the Exchange.

### **8.3 Amendments Requiring Shareholder Approval**

Without limiting the generality of the foregoing, the Board may not, without the approval of the Corporation's shareholders, make the following amendments to the Plan:

- (f) an increase to the Plan maximum or the number of Common Shares issuable under the Plan;
- (g) amendment provisions granting additional powers to the Board to amend the Plan or entitlements thereunder;
- (h) extension of the termination or expiry of a Grant or the removal or increase of insider participation limits described in Section 5.1; and
- (i) a change to the definition of "Designated Person" or "Director".

## **ARTICLE 9 CERTAIN SECURITIES LAW MATTERS**

### **9.1 Restrictive Legends**

If applicable, all certificates or other documents representing securities pursuant to the Plan issued to a "U.S. person" as defined in Rule 902(k) of Regulation S promulgated under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**") will bear the applicable restrictive legend referring to the U.S. Securities Act, which will state, without limitation, that such securities have not been registered under the Securities Act and will set forth or refer to the applicable restrictions on transferability and sale thereof.

In addition to the foregoing restrictive legends, certificates representing any securities issued pursuant to the Plan may bear such additional restrictive legends as the Board or Committee may in their sole discretion determine are required to comply with applicable securities laws or stock exchange requirements.

## **9.2 Additional Disclosure and Notices to Securities Regulatory Authorities and Exchanges**

Subject to Article 4 hereof, the Corporation shall also deliver to each Participant any additional disclosure, as necessary, to comply with the requirements of applicable securities laws. The Corporation shall also give notice, as may be necessary, to all applicable securities regulatory authorities and other regulatory bodies and all applicable stock exchanges and other trading facilities, upon which the Common Shares are listed or traded, of the adoption of the Plan and the issuance of any Grants or the entering into of any agreements respecting same.

## **ARTICLE 10 MISCELLANEOUS PROVISIONS**

### **10.1 No Right to Continued Employment or Service**

Participation in the Plan by a Designated Person is voluntary. No Director, Officer, Employee or Consultant shall have any claim or right to receive Grants under the Plan. The Grant and issuance of RSUs under the Plan (i) shall not be construed as giving a Participant any right to continue in the employment or service of the Corporation or a Related Entity or to be re-elected as a Director or to receive any additional Grants, or (ii) affect the right of the Corporation or a Related Entity to terminate the employment or service of any Participant. Unless the Committee determines otherwise, no notice of termination or payment in lieu thereof shall extend the period of employment or service for purposes of the Plan.

### **10.2 Income Tax Withholding Compliance**

Prior to the delivery of any RSU Shares under this Plan, the Corporation or the Administrator shall have the power and the right to deduct or withhold, or to require a Participant to remit to the Corporation, an amount sufficient to satisfy any federal, provincial, local and foreign taxes, pension plan contributions, employment insurance premiums and any other required deductions (collectively referred to herein as “withholding taxes”) that the Corporation determines is required to be withheld to comply with applicable laws. The Corporation shall make any withholdings or deductions in respect of withholding taxes as required by law or the interpretation or administration thereof. The Corporation or the Administrator shall be entitled to make arrangements to sell a sufficient number of RSU Shares to be issued pursuant to the Plan to fund the payment and remittance of withholding taxes that are required to be deducted or withheld and any associated costs (including brokerage fees). The Corporation or the Administrator shall also have the right to withhold the delivery of any RSUs and RSU Shares to a Participant hereunder unless and until such Participant pays to the Corporation a sum sufficient to indemnify the Corporation for any liability to withhold tax in respect of the amounts included in the income of such Participant as a result of the settlement of RSUs under the Plan, to the extent that such tax is not otherwise being withheld from payments to such Participant by the Corporation or the Administrator. The Participant may also make other arrangements acceptable to the Corporation to fund the required tax remittance.

### **10.3 Governing Law**

The Plan, the issuance and settlements of RSUs hereunder, and the issue and delivery of Common Shares hereunder upon settlement shall be, as applicable, governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

### **10.4 Non-Exclusivity**

Nothing contained herein shall prevent the Corporation from adopting such other share incentive or compensation arrangements as it shall deem advisable.

## **ARTICLE 11 EFFECTIVE DATE AND TERM OF THE PLAN**

This Plan is effective **March 16, 2022**. Any subsequent amendments to the Plan shall become effective upon their adoption by the Board, subject to the approval of the Corporation's shareholders, if required. The Plan shall terminate on such date as may be determined by the Board pursuant to Article 8 hereof, and no Grants may become effective under the Plan after the date of termination, but such termination shall not affect any Grants that became effective pursuant to the Plan prior to such termination.

**SCHEDULE A TO THE RESTRICTED SHARE UNIT PLAN**

**eXeBLOCK TECHNOLOGY CORPORATION**

**RESTRICTED SHARE UNIT GRANT AGREEMENT**

This **RESTRICTED SHARE UNIT GRANT AGREEMENT** is made as of the day of \_\_\_\_\_, 20\_\_\_\_ between eXeBLOCK TECHNOLOGY CORPORATION (the “**Corporation**”) and the undersigned (the “**Participant**”), being a director, officer, employee or consultant of the Corporation or a related entity designated pursuant to the terms of the Restricted Share Unit Plan of the Corporation, as may be amended from time to time (the “**Plan**”).

In consideration of the grant of Restricted Share Units (“**RSUs**”) made to the Participant pursuant to the Plan (the receipt and sufficiency of which are hereby acknowledged), the Participant hereby agrees and confirms that:

1. The Participant has received a copy of the Plan and has read, understands and agrees to be bound by the provisions of the Plan. The Participant acknowledges, among other things, that the Plan contains provisions relating to termination and restricting transfer.
2. The Participant accepts and consents to and shall be deemed conclusively to have accepted and consented to, and agreed to be bound by, the provisions and all terms of the Plan and all *bona fide* actions or decisions made by the Board, the Committee, or any person to whom the Committee may delegate administrative duties and powers in relation to the Plan, which terms and consent shall also apply to and be binding on the legal representatives, beneficiaries and successors of the undersigned.
3. On \_\_\_\_\_, 20\_\_\_\_, the Participant was granted \_\_\_\_\_ RSUs to receive one RSU Share of the Corporation for each RSU subject to the provisions of the Plan, which grant is evidenced by this Agreement. The RSUs shall be subject to the following terms:

***[Describe performance or other criteria, and vesting release dates of the RSU Shares.]***

4. This Agreement shall be considered as part of and an amendment to the employment or service agreement between the Participant, and the Corporation and the Participant hereby agrees that the Participant will not make any claim under that employment or service agreement for any rights or entitlement under the Plan or damages in lieu thereof except as expressly provided in the Plan.
5. Participants who are “insiders” of the Corporation are required to file an insider report under Canadian securities laws in respect of the grant of RSUs and upon future conversion of these RSUs into RSU Shares and any subsequent sales of such RSU Shares.
6. In the event of any inconsistency between the terms of this Agreement and the Plan, the terms of this Agreement shall prevail to the extent that it is not inconsistent with the

requirements of the CSE.

This Agreement shall be determined in accordance with the laws of British Columbia and the laws of Canada applicable therein.

Words used herein which are defined in the Plan shall have the respective meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first above written.

**eXeBLOCK TECHNOLOGY CORPORATION**

By: \_\_\_\_\_  
(Authorized Signing Officer)  
Name:  
Title:

**Accepted:** \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
*[Name]*

## SCHEDULE “C”

### EXEBLOCK TECHNOLOGY CORPORATION (the “Company”)

#### AUDIT COMMITTEE CHARTER

##### Purpose of the Committee

The purpose of the audit committee (the “**Audit Committee**”) of the directors of the Company (the “**Board**”) is to provide an open avenue of communication between management, the Company’s independent auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Company’s financial reporting and disclosure practices;
- the Company’s compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Company’s independent auditor.

The Audit Committee shall also perform any other activities consistent with this Charter, the Company’s articles and governing laws as the Audit Committee or Board deems necessary or appropriate.

The Audit Committee shall consist of at least three directors. Members of the Audit Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Audit Committee shall elect a Chairman from among their number. A majority of the members of the Audit Committee must not be officers or employees of the Company or of an affiliate of the Company, other than as may be temporarily permitted under applicable securities legislation. The quorum for a meeting of the Audit Committee is the member or members who is/are not (an) officer(s) or employee(s) of the Company or of an affiliate of the Company. With the exception of the foregoing quorum requirement, the Audit Committee may determine its own procedures.

The Audit Committee’s role is one of oversight. Management is responsible for preparing the Company’s financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board. Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor’s responsibility is to audit the Company’s financial statements and provide its opinion, based on its audit conducted in accordance with IFRS, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with IFRS.

The Audit Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing the Company’s financial statements, preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, and for reviewing and recommending the compensation of the independent auditor. The Audit Committee is also directly

responsible for the evaluation of and oversight of the work of the independent auditor. The independent auditor shall report directly to the Audit Committee.

### **Authority and Responsibilities**

In addition to the foregoing, in performing its oversight responsibilities the Audit Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Company's CFO and CEO and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditor the adequacy and effectiveness of the Company's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the independent auditor's judgment about the quality and appropriateness of the Company's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Company by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Company and all non-audit work performed for the Company by the independent auditor.
11. Establish and review the Company's procedures for the:
  - receipt, retention and treatment of complaints regarding accounting, financial disclosure,
  - internal controls or auditing matters; and



- confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Audit Committee believes is within the scope of its responsibilities. The Audit Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.
  13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of National Instrument 52-110 of the Canadian Securities Administrators, the *Business Corporations Act* (British Columbia) and the articles of the Company.

**EXEBLOCK TECHNOLOGY CORPORATION**  
(the "Company")

**NOTICE**

**NATIONAL INSTRUMENT 51-102**

TO:           British Columbia Securities Commission  
              Alberta Securities Commission  
              Ontario Securities Commission

AND TO:     Deloitte LLP

AND TO:     Manning Elliott LLP

The Company hereby gives notice, pursuant to Section 4.11 of National Instrument 51-102, that Manning Elliott LLP have been appointed as auditor of the Company and that Deloitte LLP have resigned as auditors of the Company, and that:

1.     The effective date of the resignation of the Company's auditors was August 30, 2019.
2.     Deloitte LLP have resigned at the request of the Company.
3.     There have been no Reservations in the Auditor's Reports for the Company's two most recently completed fiscal years or any subsequent period.
4.     This resignation of the former auditor and appointment of the successor auditor was considered and approved by the Company's Audit Committee and by its Board of Directors.
5.     There have been no Reportable Events, as that term is defined in National Instrument 51-102.

**DATED** at Halifax, Nova Scotia, this 31<sup>st</sup> day of August 2019.

BY ORDER OF THE BOARD OF DIRECTORS  
OF EXEBLOCK TECHNOLOGY CORPORATION

*"Ian Klassen"*  
Director



Deloitte LLP  
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September 4, 2019

To:  
British Columbia Securities Commission  
Alberta Securities Commission  
Ontario Securities Commission

Dear Sirs/Mesdames:

As required by subparagraph (5)(a)(ii) of section 4.11 of National Instrument 51-102, we have reviewed the change of auditor notice of eXeBlock Technology Corporation dated August 31, 2019 (the "Notice") and, based on our knowledge of such information at this time, we agree with statements (1), (2), (3) and (5) contained in the Notice and we have no basis to agree with statement (4) contained in the Notice.

Yours very truly,

/s/ Deloitte LLP

Chartered Professional Accountants



September 4, 2019

British Columbia Securities Commission  
Alberta Securities Commission  
Ontario Securities Commission

**Attention: Continuous Disclosure**

Dear Sirs/Mesdames:

**Re: Notice of Change of Auditor – eXeBlock Technology Corporation**

We have read the Notice of Change of Auditor (the “Notice”) of the Company dated August 31, 2019, delivered to us pursuant to Part 4.11 of National Instrument 51-102.

In this regard, we confirm that we are in agreement with the information contained in the Notice. The confirmation is based on our knowledge of the information as at the date of this letter.

Yours truly,

MANNING ELLIOTT LLP

*Manning Elliott LLP*