



**NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR
IN RESPECT OF AN
ANNUAL GENERAL MEETING OF SHAREHOLDERS OF
NERDS ON SITE INC.**

TO BE HELD ON NOVEMBER 22, 2024 AT 11:00 A.M.

DATED AS OF OCTOBER 25, 2024.

NERDS ON SITE INC.
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
(the “Notice of Meeting”)

Notice is hereby given that the annual general meeting (the “**Meeting**”) of the holders of Common shares and Class B Special shares (collectively, the “**Shareholders**”) of Nerds On Site Inc. (the “**Corporation**”) will be held on Friday, November 22, 2024 at 11:00 a.m. (Ontario time) via Zoom (attendance details below) for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the years ended May 31, 2024, and 2023 together with the report of the auditors’ thereon;
2. to elect directors of the Corporation for the ensuing year, as described in the accompanying information circular (“**Circular**”);
3. to appoint MNP LLP as auditors of the Corporation for the ensuing year and to authorize the board of directors to fix the auditors’ remuneration; and
4. to transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The specific details of the matters to be considered at the Meeting are set out in the Circular, which accompanies and forms part of this Notice of Meeting.

A Shareholder may attend the Meeting virtually or may be represented at the Meeting by a proxyholder. Shareholders who are unable to attend the Meeting are requested to date and sign the enclosed instrument of proxy (the “**Instrument of Proxy**”) and mail or deposit it with TSX Trust Company (“**TSX Trust**”), our transfer agent. To be valid, the Instrument of Proxy must be dated, completed, signed and deposited with TSX Trust by: (i) mail to Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Attention: Proxy Department; (ii) facsimile at (416) 595-9593; or (iii) online at www.voteproxyonline.com, entering the 12-digit control number found on your Instrument of Proxy, or as otherwise indicated in the instructions contained in the Instrument of Proxy. In order to be valid and acted upon at the Meeting, Instruments of Proxy must be received at the aforesaid address, fax, or online address not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof. Shareholders are cautioned that using mail to transmit proxies is at each Shareholder’s risk.

The board of directors of the Company has fixed the record date for the Meeting as the close of business on October 23, 2024 (the “**Record Date**”). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote those shares included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such Shareholder transfers shares after the Record Date and the transferee of those shares, having produced properly endorsed certificates evidencing such shares or having otherwise established that he or she owns such shares, demands, not less than 10 days before the Meeting, that the transferee’s name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such shares at the Meeting.

For ease and convenience, the Meeting will be held in a virtual-only format using the Zoom meeting platform, allowing Shareholders to listen, ask questions and vote by proxy, all in real-time. The Company’s board of directors and management believe that enabling Shareholders to participate virtually through the Zoom meeting platform will facilitate greater Shareholder attendance and participation.

To attend the Meeting, please use the details below:

Join via Direct Meeting Link:

<https://nerdsonsite.zoom.us/j/81933048945?pwd=D2Ret4N8AfioZU7ofeihwWMBQZDV8K.1>

Meeting ID: 819 3304 8945

Passcode: 589159

Join via Phone:

Find your local number: <https://nerdsonsite.zoom.us/u/kenXwCKKNv>

DATED at London, Ontario this 25TH day of October, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

“Charles Regan”

Charles Regan

Chief Executive Officer

NERDS ON SITE INC.

MANAGEMENT INFORMATION CIRCULAR

This management information circular (this “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Nerds On Site Inc. (the “**Corporation**” or “**Nerds**”) for use at the annual general meeting of the Corporation (the “**Meeting**”) of the holders (the “**Shareholders**”) of Common shares (“**Common Shares**”) and Class “B” Special shares (“**Special Shares**”) to be held on November 22, 2024 at 11:00 a.m. (Ontario time) at the place and for the purposes set out in the notice of meeting (“**Notice of Meeting**”) accompanying this Circular.

For the convenience and participation of Shareholders, the Meeting will be held in a virtual-only format using the Zoom meeting platform. Shareholders will be able to listen, ask questions, and vote during the Meeting, which can be accessed using the following details:

Join via Direct Meeting Link:

<https://nerdsonsite.zoom.us/j/81933048945?pwd=D2Ret4N8AfioZU7ofeihwWMBQZDV8K.1>

Meeting ID: 819 3304 8945

Passcode: 589159

Join via Phone:

Find your local number: <https://nerdsonsite.zoom.us/u/kenXwCKKNv>

GENERAL PROXY INFORMATION

Solicitation of Proxies

The board of directors of the Corporation (the “**Board**”) has fixed the record date for the Meeting as the close of business on October 23, 2024 (the “**Record Date**”). Only Shareholders of record as at the Record Date will be entitled to vote at the Meeting, unless that Shareholder has transferred any Common Shares subsequent to that date and the transferee shareholder, not less than 10 days before the Meeting, establishes ownership of such Common Shares by producing properly endorsed certificates evidencing such Common Shares or having otherwise established that he or she owns such Common Shares and demands that the transferee’s name be included on the list of Shareholders entitled to vote at the Meeting.

The Corporation presents its consolidated financial statements in Canadian dollars. In this Circular, all references to “\$” are to Canadian dollars. Unless otherwise indicated, information set out in this Circular is provided as of October 25, 2024.

Voting in Person at the Meeting

A registered Shareholder (or a proxyholder duly appointed thereby) (a “**Registered Shareholder**”), or a beneficial owner who has appointed themselves as proxyholder to represent them at the Meeting, will appear on a list of Shareholders prepared by TSX Trust Company (“**TSX Trust**”), the registrar and transfer agent for the purposes of the Meeting. To vote in person at the Meeting, each Registered Shareholder or appointee will be required to register for the Meeting by identifying themselves at the registration desk. Non-registered beneficial shareholders must appoint themselves as proxyholder to vote in person at the Meeting.

Appointment of Proxyholders

Registered Shareholders may wish to vote by proxy whether or not the Registered Shareholder is able to attend the Meeting in person. The instrument appointing a proxy shall be in writing and shall be executed by the Registered Shareholder or the Registered Shareholder's attorney authorized in writing or, if the Registered Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

The persons named in the enclosed instrument of proxy (the "**Instrument of Proxy**") are directors and officers of the Corporation or legal counsel of the Corporation. Each Registered Shareholder has the right to appoint a proxyholder other than the persons designated in the Instrument of Proxy, who need not be a Registered Shareholder, to attend and to act for the Registered Shareholder at the Meeting. To exercise such right, the names of the nominees of the Corporation should be crossed out, and the name of the Registered Shareholder's appointee should be legibly printed in the blank space provided in the Instrument of Proxy or by completing and delivering another suitable form of proxy.

Registered Shareholders may submit the Instrument of Proxy by:

| | |
|-----------------------|---|
| Mail or Hand Delivery | TSX Trust Company Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Attention: Proxy Department |
| Facsimile | (416) 595-9593 You will need to provide your 12-digit control number (located on the Instrument of Proxy accompanying this Circular) |
| Internet | www.voteproxyonline.com You will need to provide your 12-digit control number (located on the Instrument of Proxy accompanying this Circular) |

In all cases, Registered Shareholders' votes must be received not later than 11:00 a.m. (Ontario time) on November 20, 2024 or not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for the holding of the Meeting or any adjournment thereof. The proxy deadline may be waived or extended by the chair of the Meeting.

Beneficial Holders of Shares

The information set forth in this section is provided to beneficial holders of Common Shares who do not hold their Common Shares in their own name ("**Beneficial Shareholders**"). Beneficial Shareholders should note that only proxies deposited by Registered Shareholders can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker or other intermediary, then in almost all cases, those shares will not be registered in the Beneficial Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Beneficial Shareholder's broker, an agent of that broker, or other intermediary. The vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms) and Cede & Co. (as nominee for The Depository Trust Company, which acts as depository for many U.S. brokerage firms and custodian banks). Common Shares held by brokers or their nominees can only be voted upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting shares for their clients. The Corporation does not know for whose benefit the Common Shares registered in the name of CDS & Co. or Cede & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their

Common Shares are voted at the Meeting. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically provides a scannable voting instruction form or applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the voting instruction forms or proxy forms to Broadridge. Often Beneficial Shareholders are alternatively provided with a toll-free telephone number to vote their Common Shares or website address where Common Shares held by Beneficial Shareholders can be voted. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares held by Beneficial Shareholders to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form or a proxy with a Broadridge sticker on it cannot use that voting instruction form or proxy to vote Common Shares directly at the Meeting as the proxy must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted. Accordingly, it is strongly suggested that Beneficial Shareholders return their completed voting instruction forms or proxies as directed by Broadridge well in advance of the Meeting.

If you are a Beneficial Shareholder, your broker/intermediary should send you a voting instruction form or proxy form along with this Circular. Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the Registered Shareholder and vote Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or the broker's agent), well in advance of the Meeting as instructed on the form.

Non-Objecting Beneficial Owners

The Notice of Meeting, this Circular, the audited consolidated annual financial statements for the year ended May 31, 2023, and related management's discussion and analysis (collectively, the "**Meeting Materials**") are being sent to both Registered Shareholders and Beneficial Shareholders. If you are a Beneficial Shareholder, and Nerds or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares 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, Nerds (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for: (a) delivering these materials to you; and (b) executing your proper voting instructions. Please return your voting instruction form as specified in the request for voting delivered to you.

Revocability of Proxy

A Registered Shareholder who has submitted an Instrument of Proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy prior to the exercise thereof and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Registered Shareholder or the Registered Shareholder's attorney authorized in writing deposited either at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof, and upon either of such deposits, the proxy is revoked.

Persons Making the Solicitation

The solicitation is made on behalf of the management of the Corporation. The costs incurred in the preparation and mailing of the Meeting Materials will be borne by the Corporation. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Corporation, who will not be specifically remunerated therefor.

Exercise of Discretion by Proxy

The Common Shares represented by proxy in favour of management nominees shall be voted on any ballot at the Meeting and, where the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares shall be voted on any ballot in accordance with the specification so made.

In the absence of such specification, the Common Shares will be voted in favour of the matters to be acted upon. The persons appointed under the Instrument of Proxy furnished by the Corporation are conferred with discretionary authority with respect to amendments or variations of those matters specified in the Instrument of Proxy and Notice of Meeting. At the time of printing this Circular, management of the Corporation knows of no such amendment, variation or other matter.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As of the Record Date, there were (i) 89,413,115 Common Shares issued and outstanding as fully paid and non-assessable, each carrying the right to one vote per Common Share; and (ii) 1,000,000 Special Shares issued and outstanding, each carrying 10 votes for each Special Share held on all matters to be considered and acted upon at the Meeting or any adjournment thereof. Special Shares do not entitle the Special Shareholders to interest or dividends, and do not provide asset rights in the event of a liquidation of the Corporation.

To the knowledge of the directors and executive officers of the Corporation, as of the date hereof, the following persons or companies beneficially owned, directly or indirectly, or exercised control or direction over, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

| Name | Number and Type of Shares held | Percentage of Shares held |
|-----------------------------|---------------------------------------|----------------------------------|
| Nerds on Site Holdings Ltd. | 35,102,001 Common Shares | 39.25% |
| | 1,000,000 Special Shares | 100% |

Note:

(1) Nerds on Site Holdings Ltd. is owned 23.8% by David Redekop, 20.75% by John Harbarenko and 55.43% by Charles Regan.

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

Management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director, director nominee or officer of the Corporation or any associate or affiliate of such person in any matter to be acted upon at the Meeting other than the election of directors.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Management of the Corporation is not aware of any material interest, direct or indirect, of any director, director nominee or officer of the Corporation, any person beneficially owning, directly or indirectly, more than 10% of the Corporation's voting securities, or any associate or affiliate of such person in any transaction within the last financial

year or in any proposed transaction which in either case has materially affected or will materially affect the Corporation.

MATTERS TO BE ACTED UPON AT THE MEETING

Receipt of Financial Statements and Auditors' Report

The Shareholders will receive and consider the Corporation's audited consolidated annual financial statements for the fiscal years ended May 31, 2024 and 2023, together with the auditors' report thereon. A copy of the financial statements are available for review on SEDAR+ at www.sedarplus.com.

Election of Directors

At present, the Board may consist of a minimum of three and a maximum of 10 directors. The Board has fixed the number of persons to be elected as directors at the Meeting at six.

Management does not contemplate that any of the nominees will be unable to serve as a director, but if, prior to the Meeting, any vacancies occur in the proposed nominees herein presented, the proxies shall not be voted with respect to such vacancies.

Director Nominees

The following table sets forth, for each of the persons proposed to be nominated for election as directors, all positions and offices with the Corporation now held by them, their principal occupations during the preceding five years, the periods during which they have served as directors of the Corporation and its predecessor, and the number of Shares of the Corporation beneficially owned, directly or indirectly, by each of them, or over which they exercise control or direction, as of the date hereof. Each director elected will hold office until the close of the next annual meeting of shareholders or until his successor is duly elected or appointed.

| Name, Place of Residence and Position with the Corporation | Principal Occupation for the Past Five Years | Director Since | Number of Voting Shares |
|--|---|-------------------|--|
| Kevin Ernst ⁽¹⁾ <i>Pennington, New Jersey</i> <i>Director</i> | Managing Director at Ocean Capital, a New York and Hong Kong based merchant banking firm. Mr. Ernst is also a Managing Director at Kingswood Investments. | December 12, 2017 | 1,000,000 Common Shares |
| John Harbarenko <i>Clarksburg, Ontario</i> <i>Director</i> | Director of the Corporation and founder of ADAMnetworks. | June 26, 1997 | 7,283,665 Common Shares 238,200 Special Shares ⁽²⁾ |
| Eugene Konaryev ⁽¹⁾ <i>Maple, Ontario</i> <i>Director</i> | Partner at Go Capital Inc., a Toronto based private equity firm. | November 8, 2017 | 1,247,500 Common Shares |
| David Redekop <i>London, Ontario</i> <i>Director</i> | Secretary of the Corporation and co-founder of ADAMnetworks. | June 26, 1997 | 9,190,595 Common Shares 207,500 Special Shares ⁽³⁾ |

| | | | |
|---|---|-----------------|--|
| Charles Regan ⁽¹⁾ <i>Lakeshore, Ontario</i> <i>CEO, Director</i> | Chief Executive Officer of the Corporation and co-founder of AdamNetworks. | March 15, 2003 | 22,690,204 Common Shares 554,300 Special Shares |
| Gresford Barrington Gray <i>Toronto, Ontario</i> <i>Director</i> | Certified Public Accountant and CFO with an extensive background in government contracting, technology and consulting. Mr. Gray has held senior positions at Coforma, BigBear.ai and Gladstone Capital. | August 23, 2023 | Nil |

Notes:

- (1) Member of the Audit Committee.
- (2) Mr. Habarenko owns all of his Common Shares and Special Shares through a holding company, Nerds On Site Holdings Ltd.
- (3) Mr. Redekop owns 836,319 Common Shares personally and the remainder of his Common Shares through a holding company, Nerds On Site Holdings Ltd. Mr. Redekop holds all of this Special Shares through Nerds on Site Holdings Ltd.
- (4) Mr. Regan owns 19,574,039 Common Shares and all of his Special Shares through a holding company, Nerds On Site Holdings Ltd.; Mr. Regan also holds 2,811,715 Common Shares personally, 272,200 through a RRSP, and 59,250 Common Shares through Arate Holdings Ltd.

Cease Trade Orders or Bankruptcies

Other than as disclosed below, to the knowledge of management of the Corporation, no proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in such 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.

Mr. Ernst was a director of Vice Health and Wellness Inc. (“**Vice**”) until his resignation on January 13, 2020. On April 4, 2024, Vice was issued a cease trade order by the British Columbia Securities Commission for failing to file its annual audited financial statements for the year ended September 30, 2023, interim financial report for the period ended December 31, 2023, and management’s discussion and analysis for the periods ended September 30, 2023 and December 31, 2023.

Personal Bankruptcies

To the knowledge of management of the Corporation, no proposed director has, within 10 years before the date of this Circular, become 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 the assets of such person.

Penalties and Sanctions

To the knowledge of management, no proposed director has been subject to: (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

A Shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees.

Unless otherwise directed, it is the intention of the persons named in the accompanying Instrument of Proxy to vote FOR the election as directors of the above-designated persons as nominees to hold office until the next annual general meeting, or until their successors are elected or appointed.

Appointment of Auditor

MNP LLP, Chartered Professional Accountants, located at 1 Adelaide St E Suite 1900, Toronto, ON M5C 2V9, will be nominated at the Meeting for reappointment as auditor of the Corporation for the ensuing year, at such remuneration as may be approved by the Board.

To be effective, the resolution must be passed by at least a majority of the votes cast by the Shareholders represented at the Meeting in person or by proxy.

The Board recommends that Shareholders vote FOR the ordinary resolution appointing MNP LLP as auditor of the Corporation. Unless otherwise directed, it is the intention of the persons named in the accompanying Instrument of Proxy to vote FOR the ordinary resolution appointing MNP LLP as auditor.

OTHER MATTERS TO BE ACTED UPON

As at the date hereof, management of the Corporation does not know of any business, other than as set out in this Circular, that will be presented at the Meeting. However, if any other matters properly come before the Meeting it is the intention of the management designees named in the accompanying Instrument of Proxy to vote all proxies in accordance with their judgment upon any such matters.

STATEMENT OF EXECUTIVE COMPENSATION

Pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), the Company is required to disclose certain information with respect to its compensation of Named Executive Officers (“**NEOs**”) and the directors, as summarized below. The Corporation is a venture issuer and is disclosing its executive compensation in accordance with Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*.

For the period ending May 31, 2023, the Corporation had the following NEOs:

- Charles Regan (CEO); and
- Rakesh Malhotra (CFO).

Director and NEO Compensation

Summary Compensation Table

The following table provides information regarding the annual compensation paid to or earned by the Corporation's NEOs and directors for the financial years ended May 31, 2024 and 2023.

| Name and Position | Year | Salary, Consulting Fee, Retainer or Commission (\$) | Bonus (\$) | Committee or Meeting Fees (\$) | Value of Perquisites ⁽¹⁾ (\$) | Value of all other Compensation (\$) | Total Compensation ⁽²⁾⁽³⁾ (\$) |
|--|------|---|------------|--------------------------------|--|--------------------------------------|---|
| Charles Regan <i>CEO</i> | 2024 | 120,120 | Nil | Nil | Nil | Nil | 120,120 |
| | 2023 | 120,120 | Nil | Nil | Nil | Nil | 120,120 |
| Rakesh Malhotra <i>CFO</i> | 2024 | 49,210 | Nil | Nil | Nil | Nil | 49,210 |
| | 2023 | 50,240 | Nil | Nil | Nil | Nil | 50,240 |
| David Redekop <i>Director</i> | 2024 | 40,425 | Nil | Nil | Nil | Nil | 40,425 |
| | 2023 | 101,640 | Nil | Nil | Nil | Nil | 101,640 |
| John Harberenko <i>Director</i> | 2024 | 120,120 | Nil | Nil | Nil | Nil | 120,120 |
| | 2023 | 120,120 | Nil | Nil | Nil | Nil | 120,120 |
| Eugene Konaryev <i>Director</i> | 2024 | 6,000 | Nil | Nil | Nil | Nil | 6,000 |
| | 2023 | 15,000 | Nil | Nil | Nil | Nil | 15,000 |
| Nicole Holden ⁽³⁾ <i>Former Director</i> | 2024 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2023 | 15,000 | Nil | Nil | Nil | Nil | 15,000 |
| Kevin Ernst <i>Director</i> | 2024 | 6,000 | Nil | Nil | Nil | Nil | 6,000 |
| | 2023 | 15,000 | Nil | Nil | Nil | Nil | 15,000 |
| Gresford Grey <i>Director</i> | 2024 | 6,000 | Nil | Nil | Nil | Nil | 6,000 |
| | 2023 | Nil | Nil | Nil | Nil | Nil | Nil |

Notes:

- (1) The value of perquisites and benefits, if any, for each NEO or director was less than (a) \$15,000, if the NEO or director's total salary for the financial year was \$150,000 or less; (b) 10% of the NEO or director's salary for the financial year, if the NEO or director's total salary for the financial year was greater than \$150,000 but less than \$500,000; or (c) \$50,000, if the NEO or director's total salary for the financial year was \$500,000 or greater.
- (2) Ms. Holden decided not to stand for re-election at the Corporation's last annual general and special meeting held on August 23, 2023.

External Management Companies

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

Stock Options and other Compensation Securities

There were no compensation securities granted or issued to the Corporation's NEOs or directors for the financial years ended May 31, 2024, or May 31, 2023 for services provided to the Corporation.

The following table sets forth the options granted to the NEOs and directors to purchase or acquire securities of the Corporation outstanding at the most recently completed financial year ended May 31, 2024.

| Name | Option-Based Awards | | | | Share-Based Awards | | |
|-----------------|---|----------------------------|------------------------|--|---|--|--|
| | Number of Securities Underlying Unexercised Options (#) | Option Exercise Price (\$) | Option Expiration Date | Value of Unexercised In-The-Money Options (\$) | No. of Shares or Units of Shares not Vested (#) | Market or Payout Value of Share-based Awards not Vested (\$) | Market or Payout Value of Vested Share-based Awards not Paid out or Distributed (\$) |
| Charles Regan | 500,000 | \$0.15 | May 20, 2026 | 52,751 | Nil | Nil | Nil |
| Rakesh Malhotra | 500,000 | \$0.15 | May 20, 2026 | 52,751 | Nil | Nil | Nil |
| David Redekop | 500,000 | \$0.15 | May 20, 2026 | 52,751 | Nil | Nil | Nil |
| John Harbarenko | 500,000 | \$0.15 | May 20, 2026 | 52,751 | Nil | Nil | Nil |
| Eugene Konaryev | 500,000 | \$0.15 | May 20, 2026 | 52,751 | Nil | Nil | Nil |
| Kevin Ernst | 500,000 | \$0.15 | May 20, 2026 | 52,751 | Nil | Nil | Nil |

Notes:

- (1) Stock options granted under the Option Plan expire five years from the date of grant, which occurred on May 20, 2021.
- (2) The Black Scholes option pricing model was used to determine the fair market value of these options using the following assumptions: expected dividend yield of 0%; risk free interest rate of 0.94%; expected volatility of 120%; and expected life of 5 years with a Common Share price of \$0.13.

Exercise of Compensation Securities by Directors and NEOs

During the fiscal years ended May 31, 2024 and 2023, no compensation securities were exercised by any NEO or director.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to any NEOs and Directors during the most recently completed financial year ended May 31, 2024.

| Name | Option-based Awards – Value Vested during the Year (\$) | Share-based Awards – Value Vested during the Year (\$) | Non-equity Incentive Plan Compensation – Value Earned during the Year (\$) |
|-----------------|---|--|--|
| Charles Regan | Nil | Nil | Nil |
| Rakesh Malhotra | Nil | Nil | Nil |
| David Redekop | Nil | Nil | Nil |
| John Harbarenko | Nil | Nil | Nil |
| Eugene Konaryev | Nil | Nil | Nil |
| Nicole Holden | Nil | Nil | Nil |
| Kevin Ernst | Nil | Nil | Nil |

Stock Option Plans and Other Incentive Plans

The Option Plan

The Corporation has a stock option plan (the “**Option Plan**”), which was previously reapproved by shareholders during the annual general and special meeting held on August 23, 2023. The Option Plan provides for a rolling maximum limit of ten percent (10%) of the issued and outstanding Common Shares, as permitted by the policies of the Canadian Securities Exchange (the “**CSE**”).

Summary of the Option Plan

The purpose of the Option Plan is to advance the Corporation’s interests by:

- *increasing the proprietary interests of Optionee in the Corporation;*
- *aligning the interests of Participants with the interests of the shareholders of the Corporation generally;*
- *encouraging Optionee to remain associated with Nerds; and*
- *furnishing Optionee with an additional incentive in their efforts on behalf of the Corporation.*

Administration and Eligibility

Pursuant to the Option Plan, the Board may, from time to time, grant options to directors, officers, employees and consultants of the Corporation to acquire Common Shares. The number of Common Shares granted under each option and the vesting terms thereof are at the Board’s discretion.

Shares Subject to Incentive Securities

The number of Common Shares that may be optioned under the Option Plan is limited to 10% of the outstanding Common Shares from time to time, provided that any one participant under the Option Plan shall not be entitled to receive options to acquire an aggregate of greater than 5% (2% in the case of consultants) of the outstanding Common Shares in any 12-month period.

Option Period and Exercise Price

Options granted under the Option Plan must have a term of no more than five years from the date of grant. The exercise price of each option granted under the Option Plan is at the discretion of the Board, provided that the exercise price cannot be below the closing price of the Common Shares on the CSE on the last trading day before the date of grant. Any outstanding options granted under the Option Plan expire on a date not exceeding 90 days following the date that the holder ceases to be an officer, director, employee or consultant of the Corporation, as the case may be, except in the case of death in which case the options expire one year from the date of death.

Anti-Dilution and Non-Transferable

Options granted under the Option Plan are non-assignable and non-transferable. Outstanding options granted under the Option Plan may be adjusted in certain events, as to exercise price (subject to disinterested Shareholder approval prior to any reduction to the exercise price if the affected optionee is an insider (as defined in the *Securities*

Act (Ontario)) of the Corporation at the time of the proposed amendment) and the number of Common Shares, to prevent dilution or enlargement.

Employment, Consulting and Management Agreements

The Corporation does not, and did not during the most recently completed financial year, have in place any employment, consulting or management agreements between the Corporation or any subsidiary or affiliate thereof and any of its NEOs.

Risk Assessment and Oversight

The Board is keenly aware of the fact that compensation practices can have unintended risk consequences and will continually review the Corporation's compensation policies to identify any practice that might encourage an employee to expose the Corporation to unacceptable risks. At the present time, the Board is satisfied that the current executive compensation program does not encourage the Corporation's executives to expose the business to inappropriate risk. The Board takes a conservative approach to executive compensation, rewarding individuals for the success of the Corporation once that success has been demonstrated and incenting them to continue that success through the grant of long-term incentive awards. In addition, the Option Plan limits the number of options a particular NEO is entitled to receive.

Pension Plan Disclosure

The Corporation does not have any pension or retirement plans that are applicable to the NEOs or directors, nor has it provided compensation, monetary or otherwise, to any person who now or previously has acted as an NEO in connection with or related to the retirement, termination or resignation of such person. Similarly, the Corporation has not provided any compensation to any such person as a result of a change of control.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the number of Common Shares to be issued upon exercise of outstanding options issued pursuant to equity compensation plans, the weighted average exercise price of such outstanding options and the number of Common Shares remaining available for future issuance under equity compensation plans of the Corporation as of May 31, 2024.

| Plan Category | No. of Securities to be Issued upon Exercise of outstanding Options, Warrants, and Rights | Weighted-average Exercise Price of Outstanding Options and RSUs (\$) | No. of Securities Remaining Available for Future Issuance under Equity Compensation Plans |
|---|---|--|---|
| Equity compensation plans approved by securityholders | 4,000,000 | 0.15 | 4,941,112 |
| Equity compensation plans not approved by securityholders | Nil | N/A | N/A |
| Total | 4,000,000 ⁽¹⁾ | 0.15 | 4,941,112 |

(1) Represents 500,000 Options held by Ms. Nicole Holden, who ceased being a director on August 23, 2023, and 500,000 Options held by Mr. Jaques Antonius Smit, who ceased being a director on July 8, 2022.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Corporation were indebted to the Corporation as of the end of the most recently completed financial year or as at the date hereof.

AUDIT COMMITTEE

Pursuant to National Instrument 52-110 – *Audit Committees* (“NI 52-110”), the Corporation is required to disclose certain information regarding its audit committee (the “**Audit Committee**”), as summarized below.

Audit Committee Mandate

The Corporation has an Audit Committee charter, which is attached as Schedule “B” to this Circular.

Composition of the Audit Committee

Under applicable corporate and securities legislation, the Corporation’s Audit Committee requires three directors that are considered financially literate and a majority of which are considered independent.

| Name of Director | “Independence” ⁽¹⁾ | “Financial Literacy” ⁽²⁾ |
|------------------|-------------------------------|-------------------------------------|
| Kevin Ernst | ✓ | ✓ |
| Eugene Konaryev | ✓ | ✓ |
| Charles Regan | - | ✓ |

Notes:

(1) As defined in section 1.4 of NI 52-110.

(2) As defined in section 1.6 of NI 52-110.

Relevant Education and Expertise

The following is a brief description of the education and experience of each member of our Audit Committee that is relevant to the performance of their responsibilities as an Audit Committee member:

Kevin Ernst

Mr. Ernst has extensive public company experience and is proficient in accounting. He is knowledgeable about public company reporting obligations, gained through more than 20 years of experience in the financial sector. Mr. Ernst has held senior positions at Merrill Lynch, UBS, the American Stock Exchange and the New York Stock Exchange.

Eugene Konaryev

Mr. Konaryev is an experienced financial consultant, commercial broker and partner at Go Capital Inc. He is proficient in Canadian private accounting format, IFRS, U.S. GAAP and accounting due diligence.

Charles Regan

Mr. Regan has 40+ years in setting up and running companies with defined and detailed financial reporting and control systems.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, each recommendation of the Audit Committee to nominate or compensate the external auditors has been adopted by the Board.

Reliance on Certain Exemptions

The Corporation does not rely on any of the exemptions set forth in Section 5 of 52-110F2.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services other than a requirement that the Audit Committee approve all non-audit services provided by the Corporation's auditors. The Corporation's auditors did not provide any material non-audit services to the Corporation for the years ending May 31, 2024 or May 31, 2023.

External Auditor Service Fees

The following is a summary of the fees paid to the Corporation's auditor, MNP LLP, for external audit and other services during the periods indicated.

| Financial Year | Audit Fees⁽¹⁾ (\$) | Audit-Related Fees⁽²⁾ (\$) | Tax Fees⁽³⁾ (\$) | All Other Fees⁽⁴⁾ (\$) |
|-----------------------|--|--|--|--|
| 2022 | 120,910 | Nil | Nil | 35,063.90 |
| 2023 | 85,600 | Nil | Nil | Nil |
| 2024 | 112,885 | Nil | Nil | Nil |

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Corporation's consolidated 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.
- (2) "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.
- (3) "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.
- (4) "All Other Fees" include all other non-audit services.

CORPORATE GOVERNANCE PRACTICES

The following sets forth the disclosure required by Form 58-101F2 – *Corporate Governance Disclosure* (Venture Issuers) ("**58-101F2**") under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**").

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 Corporation. The Board

is committed to a high standard of corporate governance practices, which is in the interest of its Shareholders and contributes to effective and efficient decision-making. Given the Corporation's current size and present stage of development, the Board believes its approach to corporate governance is appropriate.

Board of Directors

Assuming that all the directors nominated for election are elected, the Corporation's Board is comprised of the following individuals: Kevin Ernst, John Harbarenko, Eugene Konaryev, David Redekop, Charles Regan, and Gresford Gray. Each of the directors, other than Mr. Regan, Mr. Harbarenko and Mr. Redekop are "independent". Mr. Regan is the Corporation's Chief Executive Officer, while Mr. Harbarenko and Mr. Redekop were officers of the Corporation within the preceding three years. Accordingly, Messrs. Regan, Harbarenko and Redekop are not considered "independent."

The Board exercises its independent supervision over management through regular Board meetings, along with reviewing and approving any significant transactions undertaken by the Corporation.

Directorships

The following directors on the Board are presently directors of other issuers that are reporting issuers:

| Director | Reporting Issuer | Exchange |
|-----------------|-------------------------------|-----------------|
| Kevin Ernst | Vice Health and Wellness Inc. | CSE |

Orientation and Continuing Education

New directors to the Board receive an informal orientation regarding the business, operations and affairs of the Corporation by management. Members of the Board are provided with ongoing education respecting the Corporation's business, operations and affairs by way of management updates and presentations. In addition, directors are encouraged to attend industry workshops respecting the responsibilities of directors.

Ethical Business Conduct

The Board encourages and promotes a culture of ethical business conduct by the Corporation by actively overseeing the management of the Corporation's business. In addition, the Board is considering adopting a Code of Conduct and Whistleblower Policy for the Corporation to address the recommendations set out in NP 58-201.

Nomination of Directors

Board members share responsibility for proposing new nominees to the Board. Due to the small number of Board members and the different strengths and viewpoints each brings, this duty is not delegated to a committee.

Compensation

The Board is responsible for reviewing compensation for the directors and senior management in either a formal or informal fashion.

Other Board Committees

The Board established the Audit Committee to facilitate its independent supervision over management. The Board may strike additional committees as appropriate.

Assessments

The Board does not have a formal process or steps established to satisfy itself that the Board, its committees and its individual directors are performing effectively. The Board discusses these issues from time to time amongst itself and management, implementing such changes and making such modifications as are determined necessary or desirable.

Director Term Limits and Other Mechanisms of Board Renewal

The Corporation has not adopted term limits or other mechanisms to force a director to be removed from the Board. The by-laws of the Corporation provide that directors will serve until the next annual meeting of shareholders and, if qualified, can be nominated by the governance committee for re-election. Accordingly, the Board has determined that term limits or mandatory retirement based on age is not necessary. The Board believes that sustained leadership and intimate knowledge of the Corporation is an asset to its operations and future outlook. The Board also believes that imposing term limits is inflexible and could possibly result in experienced directors being forced to resign or being barred from standing for re-election based solely on tenure. The Board considers the performance and contribution of individual directors on an ongoing basis.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.com. Financial information for the Corporation's most recently completed financial year is provided in the financial statements and related management's discussion and analysis ("**MD&A**") available on SEDAR+.

Under securities legislation, the Corporation is required to send annually a request form to the registered holders and beneficial owners of its securities, other than debt instruments, that the registered holders and beneficial owners may use to request a hard copy of the Corporation's annual audited consolidated financial statements and related MD&A and/or the Corporation's interim financial statements and related MD&A. Shareholders who wish to receive a hard copy of the Corporation's annual financial statements and related MD&A and/or the Corporation's interim financial statements and related MD&A are encouraged to send the enclosed return card to TSX Trust, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, facsimile (416) 595-9593.

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

The Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of Nerds On Site Inc. (the "**Corporation**") shall have the oversight responsibility, authority and specific duties as described below.

Composition

The Committee will be comprised of three or more directors as determined by the Board, none of whom shall be or shall have been, unless permitted by applicable securities rules, an officer or employee of the Corporation or any subsidiary of the Corporation. Each Committee member shall satisfy the independence, financial literacy and experience requirements of applicable securities laws, rules or guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the Committee.

Each member shall serve until his successor is appointed, unless he shall resign or be removed by the Board, or he shall otherwise cease to be a director of the Corporation. The Board shall fill any vacancy if the membership of the Committee is less than three directors.

The chair of the Committee (the "**Chair**") shall be designated by the Committee by vote of a majority of the full Committee membership.

Communication, Authority to Engage Advisors and Expenses

The Committee shall have access to such officers and employees of the Corporation, the Corporation's external auditor and to such other information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

The Committee provides an avenue for communication, particularly for outside directors, with the external auditor and financial and senior management and the Board. The external auditor shall have a direct line of communication with the Committee through its Chair and shall report directly to the Committee. The Committee, through its Chair, may contact directly any employee in the Corporation as it deems necessary, and any employee may bring before the Committee, on a confidential basis, any matter involving the Corporation's financial practices or transactions.

The Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set the compensation for any such counsel and advisors. Any engagement of independent counsel or other advisors is to be at the Corporation's expense.

The Corporation shall be responsible for all expenses of the Committee that are deemed necessary or appropriate by the Committee in carrying out its duties.

Meetings and Record-Keeping

Meetings of the Committee shall be conducted as follows:

1. the Committee shall meet at least four times annually at such times and at such locations as the Chair of the Committee shall determine, provided that meetings shall be scheduled so as to permit timely review of the quarterly and annual financial statements and reports. The external auditor or any two

members of the Committee may also request a meeting of the Committee. The Chair of the Committee shall hold in camera sessions of the Committee at every meeting without management present;

2. the quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or by other telecommunication device that permits all persons participating in the meeting to hear each other;
3. if the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting;
4. the Chair shall, in consultation with management and the auditor, establish the agenda for the meetings and circulate or instruct management to circulate properly prepared agenda materials to the Committee with sufficient time for study prior to the meeting;
5. every matter of business at a Committee meeting shall be decided by a majority of the votes cast;
6. the Chief Executive Officer shall be available to advise the Committee, shall receive notice of meetings and may attend meetings of the Committee at the invitation of the Chair of the Committee. Other management representatives may be invited to attend as necessary; and
7. a Committee member, or any other person selected by the Committee, shall be appointed at each meeting to act as secretary for the purpose of recording the minutes of each meeting.

The Committee shall provide the Board with a summary of all meetings together with a copy of the minutes from such meetings. Where minutes have not yet been prepared, the Chair shall provide the Board with oral reports on the activities of the Committee. All information reviewed and discussed by the Committee at any meeting shall be referred to in the minutes and made available for examination by the Board upon request to the Chair.

Responsibilities

The Committee is part of the Board. Its primary functions are to assist the Board in fulfilling its oversight responsibilities with respect to: (i) the oversight, review and approval of the financial statements and the accounting and financial reporting processes of the Corporation; (ii) the assessment of the system of internal controls that management has established; and (iii) the external audit process. In addition, the Committee shall assist the Board, as requested, in fulfilling its oversight responsibilities with respect to (i) financial policies and strategies; (ii) financial risk management practices; and (iii) transactions or circumstances which could materially affect the financial profile of the Corporation.

The Committee shall be directly responsible, in its capacity as a committee of the Board, for making a recommendation to the Board regarding the appointment, compensation and retention of the external auditor and overseeing the work of the external auditor and the relationship of the external auditor with the Corporation (including the resolution of disagreements between management and the external auditor regarding financial reporting). Management is responsible for preparing the financial statements and financial reporting of the Corporation and for maintaining internal control and management information and risk management systems and procedures. The external auditor is responsible for the audit or review of the financial statements and other services they provide.

The duty and standard of care which directors must meet is as set forth in applicable corporate and securities legislation. These terms of reference are intended to assist the members of the Committee in satisfying the standard

of care which is imposed upon them by applicable law and is not intended to increase or decrease the standard of care to which all directors are subject.

The Committee should have a clear understanding with the external auditor that they must maintain an open and transparent relationship with the Committee, and that the ultimate accountability of the external auditor is to the Shareholders of the Corporation.

Specific Duties

(A) Relationship with External Auditor

The Committee shall:

1. consider and make a recommendation to the Board as to the appointment or re-appointment of the external auditor, ensuring that such auditor is a participant in good standing pursuant to applicable securities laws;
2. consider and make a recommendation to the Board as to the compensation of the external auditor which is to be paid by the Corporation;
3. oversee the work of the external auditor in performing their audit or review services and oversee the resolution of any disagreements between management of the Corporation and the external auditor;
4. review and discuss with the external auditor all material identified relationships that the external auditor and its affiliates have with the Corporation and its affiliates in order to determine the external auditor's independence, including, without limitation:
 - a. requesting, receiving and reviewing, on a periodic basis, a formal written statement from the external auditor delineating all relationships that may reasonably be thought to bear on the independence of the external auditor with respect to the Corporation;
 - b. discussing with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor; and
 - c. recommending that the Board take appropriate action in response to the external auditor's statement to satisfy itself of the external auditor's independence;
5. review and discuss the audit plan of the external auditor with the external auditor, including the staffing thereof, prior to the commencement of the audit;
6. as may be required by applicable securities laws, rules and guidelines, either:
 - a. pre-approve all non-audit services to be provided by the external auditor to the Corporation (and its subsidiaries, if any), or, in the case of de minimis non-audit services, approve such non-audit services prior to the completion of the audit; or
 - b. adopt specific policies and procedures for the engagement of the external auditor for the purposes of the provision of non-audit services; and

7. review and approve the hiring policies of the Corporation regarding partners and employees and former partners and employees of the present and former external auditor of the Corporation.

(B) Financial Statements and Financial Reporting

The Committee shall:

1. review with management and the external auditor, and recommend to the Board for approval, the annual financial statements of the Corporation and related financial reporting, including management's discussion and analysis. In particular, the Committee's review of such financial statements should include, but not be limited to:
 - a. reviewing any changes in accounting principles, or in their application, which may have a material effect on the current or future years' financial statements;
 - b. reviewing material identified accruals or other similar estimates;
 - c. reviewing the accounting treatment of unusual or non-recurring transactions; and
 - d. reviewing disclosure requirements for commitments and contingencies;
2. upon completion of each audit, review with the external auditor the results of such audit. This process should include but not be limited to:
 - a. reviewing the scope and quality of the audit work performed;
 - b. reviewing the capability of the Corporation's financial personnel;
 - c. reviewing the co-operation received from the Corporation's financial personnel during the audit;
 - d. reviewing the resources used by the Corporation;
 - e. reviewing material identified transactions outside of the normal business of the Corporation; and
 - f. reviewing material proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems;
3. review with management and (at the Committee's discretion) the external auditor, and approve, the interim financial statements of the Corporation and related financial reporting, including management's discussion and analysis. In particular, the Committee's review of such financial statements should include, but not be limited to, those items set forth in 1.(a) to (e) above, as applicable;
4. review with management and recommend to the Board for approval, the Corporation's annual information form, if applicable;
5. review with management and approve or recommend to the Board for approval, as required by the terms hereof, any financial statements of the Corporation which have not previously been approved and which are to be included in a prospectus or other public disclosure document of the Corporation;

6. consider and be satisfied that appropriate policies and procedures are in place by management for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements (other than public disclosure referred to in clauses B.1 and B.3 above), and periodically assess the adequacy of such procedures;
7. review with management, the external auditor and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Corporation, and the manner in which these matters may be, or have been, disclosed in the financial statements;
8. review accounting, tax, legal and financial aspects of the operations of the Corporation as the Committee considers appropriate; and
9. encourage cooperation and communication between the Committee, the external auditors and management on the use of corporate information and records in the financial reporting process.

(C) Internal Controls

The Committee shall:

1. review with management and, as applicable, the external auditor and legal counsel, the adequacy and effectiveness of the internal control and management information systems and procedures of the Corporation (with particular attention given to accounting, financial statements and financial reporting matters) and consider whether the Corporation is in compliance with applicable legal and regulatory requirements and with the Corporation's policies;
2. review the external auditor's recommendations regarding any matters, including internal control and management information systems and procedures, and management's responses thereto;
3. establish procedures for the receipt, retention and treatment of complaints, submissions and concerns regarding accounting, internal controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters;
4. review policies and practices concerning the expenses and perquisites of the President and Chief Executive Officer, including the use of the assets of the Corporation; and
5. review with management and the external auditor any identified corporate transactions in which directors or officers of the Corporation have a personal interest and other transactions with affiliated parties of the Corporation.

(D) Financial Risk Management

The Committee shall:

1. review with management their assessment of the material financial risks and exposures of the Corporation and discuss with management the steps which the Corporation has taken to monitor and control such exposures;
2. review current and expected future compliance with covenants under any financing agreements;

3. understand the financial risks arising from the Corporation's exposure to such things as commodity prices, interest rates, foreign currency exchange rates and credit, as applicable. Review the management of those risks including any proposed hedging of such exposures, as applicable;
4. review the activities of the Corporation's marketing group or investor relations firm and the financial risks arising from such activities;
5. review the Corporation's insurance coverage including insurance covering directors and officers liability;
6. review any other material financial exposures including such things as tax audits, government audits or any other activities that expose the Corporation to the risk of a material financial loss;
7. report the results of such reviews to the Board for the purpose of assisting the Board in identifying the principal business risks associated with the businesses of the Corporation; and
8. review the appropriateness of the controls, policies and procedures used in the preparation of the Corporation's financial statements and other required disclosure documents, and consider recommendations for any material change to such policies.