



VSBLTY

## VSBLTY GROUPE TECHNOLOGIES CORP.

### INFORMATION CIRCULAR

*(as at November 15, 2023 unless indicated otherwise)*

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**This Information Circular is furnished in connection with the solicitation of proxies by the management of VSBLTY Groupe Technologies Corp. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on December 18, 2023 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.**

In this Information Circular, references to the “Company”, “we” and “our” refer to VSBLTY Groupe Technologies Corp. The “Board of Directors” or the “Board” refers to the Board of Directors of the Company. “Common Shares” means common shares without par value in the capital of the Company. “Company shareholders”, “shareholders” and “shareholders of the Company” refer to the shareholders 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.

For the purposes of the Information Circular all dollar amounts are denominated in Canadian Dollars.

### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

#### 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 is not required to 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.**

#### Voting by Proxyholder

The persons named in the Proxy will vote or 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. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;

- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.**

### **Registered Shareholders**

Registered shareholders (a shareholder whose name appears on the records of the Company as the registered holder of Common Shares) may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders who choose to submit a proxy may do so by completing, dating and signing the Proxy and returning it by mail or delivery to the address set forth on the accompanying return envelope to the Company's transfer agent, Odyssey Trust Company ("**Odyssey Trust**"): Attention: Proxy Department, Odyssey Trust, Suite 350 – 409 Granville Street, Vancouver, British Columbia V6C 1T2.

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

### **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 or as set out in the following disclosure.

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 names of intermediaries. In Canada the vast majority of such Common Shares are registered 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), and, in the United States of America (the "**United States**"), under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many United States brokerage firms and custodian banks).

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

There are two kinds of Beneficial Shareholders – those who object to their identity 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 their identity (called "**NOBOs**" for Non-Objecting Beneficial Owners).

### Non-Objecting Beneficial Owners

The Company is relying on the provisions of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* that permit it to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a scannable voting instruction form ("**VIF**") from Broadridge Financial Solutions Inc. ("**Broadridge**"). The VIF is to be completed and returned to Broadridge as set out in the instructions provided on the VIF. Broadridge will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These security holder materials are being sent to both registered and non-registered owners of the Common Shares 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, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for: (a) delivering these materials to you; and (b) carrying out your voting instructions. Please return your VIF as specified in the request for voting instructions that was sent to you.

#### Objecting Beneficial Owners

The management of the Company does not intend to pay for intermediaries to forward the materials to OBOs. OBOs will not receive the materials unless their intermediaries assume the cost of delivery.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The proxy form supplied to you by your broker will be similar to the Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge in Canada and in the United States. Broadridge mails a VIF in lieu of the Proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company, and who can be you) other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting. To exercise this right, insert the name of the desired representative, who may be you, in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge 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 and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares at the Meeting.**

#### **Notice to Shareholders in the United States**

This solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and the securities laws of applicable provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of applicable provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of applicable provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia) (the "**Business Corporations Act**"), as amended, and its directors and executive officers are residents of countries that, and a substantial portion of its assets and the assets of such persons, are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

## 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:

- (a) 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 Odyssey Trust at the address set forth in the Proxy, or to the Company at the address of the registered office of the Company at 1500 – 1055 W. Georgia Street, Vancouver, British Columbia V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned or postponed, 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, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

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

To the best of our knowledge, except as otherwise disclosed herein, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last completed financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

### Record Date

The Board has fixed November 15, 2023 as the record date (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: (a) attend the Meeting personally; or (b) 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.

### Voting Securities

The Company's authorized share capital consists of an unlimited number of Common Shares without par value. The Common Shares are listed for trading on the Canadian Securities Exchange (the "**CSE**") under the symbol "VSBY". As of November 15, 2023, there were 34,870,787 Common Shares issued and outstanding. The quorum for the transaction of business at the Meeting is at least two persons who are, or who represent by proxy, shareholders who in the aggregate hold at least five percent of the issued and outstanding Common Shares.

Subject to any special rights or restrictions attached to any shares (and to restrictions imposed on joint shareholders): (a) on a vote by a show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and (b) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each Common Share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy. If there are joint shareholders registered in respect of any share: (a) any one of the joint shareholders may vote at any meeting of shareholders, personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or (b) if more than one of the joint shareholders is present at any meeting of shareholders, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will

be counted. No group of shareholders of the Company has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, there is no person that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at November 15, 2023.

### VOTES NECESSARY TO PASS RESOLUTIONS

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

### FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company together with the auditor's report thereon and related management discussion and analysis for the year ended December 31, 2022 will be placed before shareholders at the Meeting for their consideration. No formal action will be taken at the Meeting to approve the financial statements. If any shareholder has questions regarding such financial statements, such questions may be brought forward at the Meeting. Copies of the audited financial statements are available through the internet on SEDAR, which can be accessed at [www.sedarplus.ca](http://www.sedarplus.ca).

### NUMBER OF DIRECTORS

The size of the Company's Board is currently set at six (6). The Board proposed that the number of directors remain at six (6). At the Meeting, shareholders will be asked to approve an ordinary resolution to set the number of directors at six (6). An ordinary resolution needs to be passed by a simple majority of votes cast by the shareholders present in person or represented by proxy and entitled to vote at the Meeting.

**Management recommends the shareholders approve the resolution to set the number of directors of the Company at six (6). Unless otherwise indicated on the form of Proxy received by the Company, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, properly executed, in favour of the resolution to set the number of directors of the Company at six (6).**

### ELECTION OF DIRECTORS

The current directors will cease to hold office immediately before the election of directors at the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the Business Corporations Act or the terms of the Company's Articles, each director elected at the Meeting will hold office until immediately before the election of directors at the next annual general meeting of shareholders of the Company, or, if no director is then elected, until a successor is elected, or until he otherwise ceases to hold office under the Business Corporations Act or the terms of the Company's Articles.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person or company, except the directors and senior officers of the Company acting solely in such capacity.

The Company's Articles contain an advance notice provision (the "**Advance Notice Provision**") of the nomination of directors in certain circumstances. To be timely, the advance notice by the nominating Shareholder (the "**Nominating Shareholder**") must be made:

- (a) in the case of an annual meeting of Shareholders, not less than 30 and not more than 65 days prior to the date of the annual meeting of Shareholders; provided, however, that in

the event that the annual meeting of Shareholders is to be held on a date that is less than 50 days after the date (the “Notice Date”) on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder is to be made not later than the close of business on the 10th day after the Notice Date in respect of such meeting; and

- (b) in the case of a special meeting (which is not also an annual meeting) of Shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting of Shareholders was made.

No nominations of directors for the Meeting by the Nominating Shareholders were received in accordance with the provisions of the Advance Notice Provision.

Each of the six current directors of the Company have agreed to stand for election. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated for election at the Meeting.

The following disclosure sets out, as at November 15, 2023, for each of management’s nominees for election as directors: (a) the nominee’s name and the nominee’s province or county, and country of residence; (b) the nominee’s principal occupation, business or employment for the five preceding years, unless the nominee is now a director and was elected to the present term of office by a vote of security holders at a meeting, the notice of which was accompanied by an information circular; (c) the period of time during which each has been a director of the Company; (d) the members of each committee of the Board; and (e) the number of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by the nominee:

| <b>Name, and Province or County and Country of Residence</b>                                     | <b>Director Since</b> | <b>Occupation, Business or Employment<sup>(1)</sup></b>   | <b>Common Shares Beneficially Owned or Controlled<sup>(2)</sup></b> |
|--|-----------------------|---|---|
| Jay Hutton<br>British Columbia, Canada<br>Chief Executive Officer,<br>President and Director     | December 4,<br>2018   | CEO & President of the<br>Company   | 174,150 <sup>(5)</sup>  |
| Thomas D. Hays <sup>(3)(4)</sup><br>Pennsylvania, USA<br>Chief Financial Officer and<br>Director | October 5,<br>2020    | Investor and Consultant<br>through TD Hays, LLC   | 367,140   |
| Amin Shahidi <sup>(3)(4)</sup><br>Rhode Island, USA<br>Director                                  | September 16,<br>2021 | Director of the Company; Vice<br>President Global Strategy<br>Transformation, Alliances and<br>M&A at Sensormatic Solutions<br>from November 2016 to June<br>2021 | 8,307   |
| David Roth <sup>(3)</sup><br>Middlesex, England,<br>United Kingdom<br>Director                   | March 1, 2022         | Director of the Company; CEO<br>of The Store, the global retail<br>practice of WPP plc  | 1,667   |
| Alnesh Mohan<br>British Columbia, Canada<br>Director   | October 31,<br>2022   | Partner at Quantum Advisory<br>Partners, LLP  | 25,000 <sup>(6)</sup>   |

| Name, and Province or County and Country of Residence          | Director Since   | Occupation, Business or Employment <sup>(1)</sup>   | Common Shares Beneficially Owned or Controlled <sup>(2)</sup> |
|--|------------------|---|---|
| Luiz Felipe Costa Romero de Barros<br>Arizona, USA<br>Director | October 31, 2022 | Vice President, Data & Analytics, Transformation & Global Media at Anheuser-Busch InBev SA/NV from 2019 to 2022; Business Transformation & Corporate Venture Capital Partner at Phillip Morris International Inc. from 2017 to 2019 | 129,000   |

Notes:

1. The information as to principal occupation, business or employment may not be within the knowledge of the management of the Company and has been furnished by the respective nominees.
2. The information as to Common Shares beneficially owned, or controlled or directed, directly or indirectly, is not within the knowledge of management of the Company and has been furnished to the Company by the respective nominees or has been extracted from insider reports available at [www.sedi.ca](http://www.sedi.ca).
3. Member of the Company's Audit Committee.
4. Member of the Company's Compensation Committee.
5. In addition, 1,097,146 Common Shares are held by Actus Interactive Holdings, Inc., a private company owned 40% by Jay Hutton and 60% by Tim Huckaby, a former officer of the Company.
6. In addition, 20,000 Common Shares are held by Quantum Advisory Partners, LLP, a private partnership owned 50% by Alnesh Mohan.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE "FOR" THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.** Unless authority to do so with respect to one or more directors is withheld, the persons designated as proxyholders in the accompanying Proxy intend to vote the Common Shares represented by such Proxy, properly executed, FOR the election of each of the nominees set forth in the above disclosure.

The Company's management does not contemplate that any of the above nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority will be exercised by the persons designated in the accompanying Proxy to vote the Common Shares represented by such Proxy, properly executed, **FOR** the election of any other person or persons in place of any nominee or nominees unable to serve, unless authority to do so with respect to the nominee or nominees unable to serve is withheld.

**Cease Trade Orders, Bankruptcies, Penalties and Sanctions**

Other than as set forth below, no proposed director of the Company:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "**order**") that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;

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

No proposed director 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 be likely to be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

#### **APPOINTMENT OF AUDITOR**

Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, will be nominated at the Meeting for re-appointment as auditor of the Company to serve until the close of the next annual general meeting of shareholders, at a remuneration to be fixed by the directors. Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, have been auditors of the Company since February 15, 2019.

**The Board unanimously recommends that the Shareholders vote for the appointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, as auditors of the Company, to hold office until the next annual general meeting of shareholders, and to authorize the directors to fix their remuneration.**

#### **AUDIT COMMITTEE**

##### **The Audit Committee's Charter**

The Audit Committee has a charter, a copy of which is attached as Schedule "A" to the Company's information circular dated June 1, 2020 and filed on SEDAR on June 4, 2020.

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

The current members of the Audit Committee are comprised of three directors, consisting of Messrs. Hays (Chair), Shahidi and Roth. Each of Messrs. Shahidi and Roth are independent within the meaning of National Instrument 52-110 Audit Committees ("**NI 52-110**"). Thomas D. Hays is a non-independent member of the Audit Committee. In accordance with section 6.1.1(3) NI 52-110 relating to the composition of the audit committee for venture issuers, a majority of the members of the Audit Committee are not executive officers, employees or control persons of the Company. All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting. The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.



## Relevant Education and Experience

The following is a summary of the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member:

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- Mr. Hays is a prominent investor who also serves on the advisory board of Egis Capital Partners and was the recipient of the Refinancing Deal of the Year award from M&A Advisor. Previously Mr. Hays was the Chair of the Red Cross of Eastern Pennsylvania, where he remains on the board.
- Mr. Shahidi has more than 25 years of leadership, digital transformation consulting and consumer/retail experience. Mr. Shahidi is a former senior strategic executive with Sensormatic, where as Vice President Global Strategy Transformation, Alliances and M&A, he was responsible for developing the overall business strategy, including commercial, operating and financial models.
- Mr. Roth is the CEO of The Store, the global retail practice of WPP plc. Mr. Roth is an acknowledged expert in branding and consumer change in China. He is a recognized authority on digital, artificial intelligence and voice recognition in retail. Mr. Roth started his career at the House of Commons of the United Kingdom working for a member of the UK Parliament. He subsequently joined Bates Dorland Advertising Ltd., where he became main board director for strategy, Managing Director of the consulting and digital divisions and CEO of the worldwide retail and technology centre of excellence. David later joined Kingfisher's B&Q plc, sitting on the main board of directors as UK and International Marketing and Strategy Director. David was on the management team that led B&Q's international expansion to Eastern Europe and Asia, including China.

Such education and experience provides each member with:

- an understanding of the accounting principles used by the issuer to prepare its financial statements;
- the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- 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 issuer's financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

## Audit Committee Oversight

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

## Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*);
- (b) the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
- (c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*);

- (d) the exemption in 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 (*Exemptions*).

### Pre-Approval Policies and Procedures

The Audit Committee pre-approves fees for non-audit services.

### External Auditor Service Fees

The aggregate fees billed by the Company’s auditors for the past two fiscal years ended December 31, are shown in the table below.

| Nature of Services                | Auditors fees for the Year Ended December 31, 2022 | Auditors fees for the Year Ended December 31, 2021 |
|-----------------------------------|--|--|
| Audit Fees <sup>(1)</sup>         | \$160,456  | \$80,120   |
| Audit Related Fees <sup>(2)</sup> | Nil  | \$Nil  |
| Tax Fees <sup>(3)</sup>           | \$4,000 (est.)                                     | \$5,000 (est.)                                     |
| <b>Total</b>                      | <b>\$164,456</b>                                   | <b>\$85,120</b>                                    |

Notes:

1. “Audit Fees” include fees necessary to perform the annual audit and quarterly review of the Company’s interim 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.

### Exemption

The Company is a “venture issuer” as defined in NI 52-110 and is relying upon the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

## STATEMENT OF CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices with respect to the corporate governance guidelines (the “**Guidelines**”) adopted in National Policy 58-201. These Guidelines are not prescriptive but have been used by the Company in adopting its corporate governance practices. The Company’s approach to corporate governance is set out below.

### General

The Company recognizes the importance of good corporate governance to the long term and successful management of the Company. The Company values accountability, and honest and ethical behaviour. The Company’s Board and Management have adopted policies and established committee structures to provide the best corporate governance standards suitable to the Company’s current stage of development. The policies, codes and charters adopted include an Audit Committee Charter, Compensation Committee Charter and a Disclosure, Confidentiality and Insider Trading Policy.

### *Board of Directors*

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.

Members of the current Board who are independent are Messrs. Shahidi, Roth and Hays. Mr. Hutton is not independent as Mr. Hutton is the CEO and President of the Company. Each of the new management nominees, being Messrs. Mohan, Jensen and Luiz Felipe Costa Romero de Barros, will be independent members of the Board. The Board facilitates its independent supervision over management by holding periodic Board meetings to discuss the operation of the Company and by ensuring representation on the Board by directors who are independent of management.

### *Directorships*

The following directors and director nominees of the Company hold directorships in other reporting issuers as set out below:

| <b>Name of Director</b>               | <b>Name of Other Reporting Issuer</b>  |
|---------------------------------------|--|
| Jay Hutton                            | Voice Mobility International, Inc.   |
| Alnesh Mohan                          | Premier Diversified Holdings Inc.<br>HS GovTech Solutions Inc.<br>DGL Investments No. 1 Inc.<br>Silver Hammer Mining Corp. |
| Luiz Felipe Costa<br>Romero de Barros | Eletromidia S.A.   |

### *Mandate of the Board*

The mandate of the Board is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its committees. In fulfilling its mandate, the Board, among other matters, is responsible for reviewing and approving the Company’s overall business strategies and its annual business plan, reviewing and approving the annual corporate budget and forecast, reviewing and approving significant capital investments outside the approved budget; reviewing major strategic initiatives to ensure that the Company’s proposed actions accord with shareholder objectives; reviewing succession planning; assessing management’s performance against approved business plans and industry standards; reviewing and approving the reports and other disclosure issued to shareholders; ensuring the effective operation of the Board; and safeguarding shareholders’ equity interests through the optimum utilization of the Company’s capital resources.

### *Meetings of the Board*

The Board meets as required to review, among other things, the performance of the Company. Results are compared and measured against a previously established plan. The Board also holds a meeting to review and assess the Company’s financial budget and business plan for the ensuing year and its overall strategic objectives. This process establishes, among other things, benchmarks against which the Board may measure the performance of management. Other meetings of the Board are called to deal with special matters as circumstances require.

### *Orientation and Continuing Education*

The Company does not provide a formal orientation or education program for new directors. However, new directors are educated about the nature and operation of the Company’s business, current issues, corporate

strategy and the role of the Board, its committees and its directors by the current directors and senior officers.

The Board encourages directors to participate in continuing education opportunities in order to ensure that directors maintain or enhance their skills and abilities as directors, and maintain a current and thorough understanding of the Company's business.

#### *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 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 exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and 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 Agents 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 has not yet developed a protocol for the nomination of directors given the Company's current size and stage of development. The Board periodically reviews the size and composition of the Board to determine if any changes are required as well as assess any potential nominees. The Board anticipates that should it determine to increase the number of directors, it will endeavour to seek new nominees who 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, demonstrated support for the Company's mission and strategic objectives, and a willingness to serve.

#### *Compensation*

The Compensation Committee is comprised of two directors of the Company who are each independent in accordance with National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**”). The current members of the Compensation and Governance Committee are Thomas D. Hays and Amin Shahidi. Our Compensation Committee is responsible for assisting our Board in fulfilling its governance and supervisory responsibilities in respect to compensation policies, processes and practices. The responsibilities of the Compensation Committee include, among other things, administering our compensation programs and reviewing and making recommendations to our Board concerning the level and nature of the compensation payable to our directors and officers. Our Compensation Committee's oversight includes reviewing objectives, evaluating performance and ensuring that total compensation paid to our executive officers, personnel who report directly to our CEO and various other key executive officers and managers is fair, reasonable and consistent with the objectives of our philosophy and compensation program.

### *Other Board Committees*

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

### *Assessments*

On an ongoing basis, the Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees. On an ongoing annual basis, the Board assesses the performance of the Board as a whole, each of the individual directors and each committee of the Board in order to satisfy itself that each is functioning effectively.

## **STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS** (for the year ended December 31, 2022)

### **General**

The following information, dated as of September 14, 2023, is provided as required under Form 51-102F6V – *Statement of Executive Compensation*, for Venture Issuers (the “Form”), as such term is defined in National Instrument 51-102 *Continuous Disclosure Obligations*.

For the purposes of this Statement of Executive Compensation:

“**Company**” means VSBLTY Groupe Technologies Corp.;

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

“**NEO**” or “**named executive officer**” means:

- (a) each individual who served as chief executive officer (“**CEO**”) of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer (“**CFO**”) of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year, and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

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

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

## DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

During the financial year ended December 31, 2022, based on the definition above, the NEOs of the Company were Jay Hutton, CEO, President and Director, Thomas D. Hays, CFO and Director, and Mitch Codkind, Former CFO. The directors of the Company who were not NEOs during the financial year ended December 31, 2022 were Alnesh Mohan, Amin Shahidi, David Roth, Joe Jensen, Former Director, and Luiz Felipe Barros.

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

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

| Table of Compensation, Excluding Compensation Securities                     |                        |   |            |                                |                           |                                      |                         |
|--|------------------------|---|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| Name and Position  | Year Ended December 31 | Salary, Consulting Fee, Retainer or Commission (\$) | Bonus (\$) | Committee or Meeting Fees (\$) | Value of Perquisites (\$) | Value of all other Compensation (\$) | Total Compensation (\$) |
| Alnesh Mohan<br><i>Director</i> <sup>(1)</sup>                               | 2022<br>2021           | Nil<br>Nil  | Nil<br>Nil | \$3,000<br>Nil                 | Nil<br>Nil                | Nil<br>Nil                           | \$3,000<br>Nil          |
| Jay Hutton<br><i>CEO, President and Director</i> <sup>(2)</sup>              | 2022<br>2021           | \$225,600<br>\$155,800                              | Nil<br>Nil | Nil<br>Nil                     | Nil<br>Nil                | Nil<br>Nil                           | \$225,600<br>\$155,800  |
| Thomas D. Hays<br><i>Chief Financial Officer and Director</i> <sup>(3)</sup> | 2022<br>2021           | Nil<br>Nil  | Nil<br>Nil | \$4,000<br>\$2,000             | Nil<br>Nil                | Nil<br>Nil                           | \$4,000<br>\$2,000      |
| Mitch Codkind<br><i>Former CFO</i> <sup>(4)</sup>                            | 2022<br>2021           | \$250,000<br>\$89,410                               | Nil<br>Nil | Nil<br>Nil                     | Nil<br>\$5,320            | Nil<br>Nil                           | \$250,000<br>\$94,730   |
| Amin Shahidi<br><i>Director</i> <sup>(5)</sup>                               | 2022<br>2021           | Nil<br>Nil  | Nil<br>Nil | \$4,000<br>\$4,000             | Nil<br>Nil                | Nil<br>Nil                           | \$4,000<br>\$4,000      |
| David Roth<br><i>Director</i> <sup>(6)</sup>                                 | 2022<br>2021           | Nil<br>Nil  | Nil<br>Nil | \$4,000<br>Nil                 | Nil<br>Nil                | Nil<br>Nil                           | \$4,000<br>Nil          |
| Joe Jensen<br><i>Former Director</i> <sup>(7)</sup>                          | 2022<br>2021           | Nil<br>Nil  | Nil<br>Nil | Nil<br>Nil                     | Nil<br>Nil                | Nil<br>Nil                           | Nil<br>Nil              |
| Luiz Felipe Barros<br><i>Director</i> <sup>(8)</sup>                         | 2022<br>2021           | Nil<br>Nil  | Nil<br>Nil | Nil<br>Nil                     | Nil<br>Nil                | Nil<br>Nil                           | Nil<br>Nil              |

Notes:

- (1) Mr. Mohan was a director from December 14, 2018 to March 24, 2022 and was reappointed to the Board on October 31, 2022.
- (2) Mr. Hutton was appointed to the Board on December 4, 2018 and as President and CEO on February 15, 2019.
- (3) Mr. Hays was appointed to the Board on October 6, 2020 and as the CFO on March 31, 2023.

- (4) Mitch Codkind was appointed as the CFO on August 16, 2021 and resigned on March 31, 2023.
- (5) Amin Shahidi was appointed to the Board on September 16, 2021.
- (6) David Roth was appointed to the Board on March 24, 2022.
- (7) Joe Jensen was appointed to the Board on October 31, 2022 and resigned on June 29, 2023.
- (8) Luiz Felipe Barros was appointed to the Board on October 31, 2022.

### Stock Options and Other Compensation Securities

The following table sets out information concerning all compensation securities granted or issued to each director and NEO by the Company in the financial year ended December 31, 2022, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

| Compensation Securities  |                               |  |                        |  |  |   |                  |
|--|-------------------------------|--|------------------------|--|--|---|------------------|
| Name and position  | Type of compensation security | Number of compensation securities, number of underlying securities, and percentage of class <sup>(2)</sup> | Date of issue or grant | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Expiry date      |
| Alnesh Mohan<br><i>Director</i> <sup>(3)</sup>                               | Stock Options                 | 50,000<br>>1%  | January 27, 2022       | \$0.81                                   | \$0.79   | \$0.175   | January 27, 2027 |
| Thomas D. Hays<br><i>Chief Financial Officer and Director</i> <sup>(4)</sup> | Stock Options                 | 100,000<br>>1%   | January 27, 2022       | \$0.81                                   | \$0.79   | \$0.175   | January 27, 2027 |
| Amin Shahidi<br><i>Director</i>  | Stock Options                 | 50,000<br>>1%  | January 27, 2022       | \$0.81                                   | \$0.79   | \$0.175   | January 27, 2027 |
| Jay Hutton <sup>(5)</sup><br><i>President and Director</i>                   | Stock Options                 | 525,000<br>>1%   | January 27, 2022       | \$0.81                                   | \$0.79   | \$0.175   | January 27, 2027 |
| David Roth<br><i>Director</i>  | Stock Options                 | 275,000<br>>1%   | October 24, 2022       | \$0.30                                   | \$0.145  | \$0.175   | October 24, 2027 |
| Luiz Felipe Barros<br><i>Director</i>  | Stock Options                 | 275,000<br>>1%   | October 24, 2022       | \$0.30                                   | \$0.145  | \$0.175   | October 24, 2027 |
| Joe Jensen<br><i>Former Director</i>   | Stock Options                 | 175,000<br>>1%   | October 24, 2022       | \$0.30                                   | \$0.145  | \$0.175   | October 24, 2027 |
|  | Stock Options                 | 100,000<br>>1%   | April 21, 2022         | \$0.54                                   | \$0.57   | \$0.175   | April 21, 2027   |
| Mitch Codkind <sup>(6)</sup><br><i>Former CFO</i>                            | Stock Options                 | 125,000<br>>1%   | January 27, 2022       | \$0.81                                   | \$0.79   | \$0.175   | January 27, 2027 |

Notes:

- (1) Options to acquire Common Shares of the Company issued pursuant to the Stock Option Plan.
- (2) Calculated on a partially diluted basis, based on the 246,090,544 Common Shares as December 31, 2022.
- (3) On December 31, 2022, Mr. Mohan held: (i) 100,000 stock options exercisable at \$0.51 per Common Share until expiry on August 10, 2026, (ii) 175,000 stock options exercisable at \$0.17 per Common Share until expiry on October 6, 2025, (iii) 275,000 stock options exercisable at \$0.30 per Common Share until expiry on February, 15, 2023; and (iv) 50,000 stock options exercisable at \$0.81 per Common Shares until; expiry on January 27, 2027.
- (4) On December 31, 2022, Mr. Hays held (i) 250,000 stock options exercisable at \$0.51 per Common Share until expiry on August 10, 2026; and (ii) 100,000 stock options exercisable at \$0.81 per Common Share until expiry on January 27, 2027.
- (5) On December 31, 2022, Mr. Hutton held (i) 1,000,000 stock options exercisable at \$0.51 per Common Share until expiry on August 10, 2026; (ii) 650,000 stock options exercisable at \$0.17 per Common Share until expiry on October 6, 2025; (iii) 425,000 stock options exercisable at \$0.30 per Common Share until expiry on February 15, 2023; and 525,000 stock options exercisable at \$0.81 per Common Share until expiry on January 27, 2027.

- (6) On December 31, 2022, Mr. Codkind held (i) 250,000 stock options exercisable at \$0.57 per Common Share until expiry on August 23, 2026; and 125,000 stock options exercisable at \$0.81 per Common Share until expiry on January 27, 2027. Mr. Codkind's options expired on April 30, 2023 following his resignation.

### **Exercise of Compensation Securities by Directors and Named Executive Officers**

No director or NEO of the Company exercised any compensation securities during the financial year ended December 31, 2022.

### **Stock Plans and other Compensation Plans**

#### *10% Rolling Share Option Plan (Option-Based Awards)*

The Company's current Stock Option Plan is a "rolling" share option plan, whereby the aggregate number of Common Shares reserved for issuance, together with any other Common Shares reserved for issuance under any stock options issued under any former stock option plans of the Company, shall not exceed ten (10%) percent of the total number of issued Common Shares (calculated on a non-diluted basis) at the time an option is granted. The Stock Option Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase Common Shares of the Company. As at the date hereof, there are **16,695,828** options outstanding under the Plan.

A copy of the Stock Option Plan is available for review on the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca) and at the office of the Company's Corporate Secretary at 1500 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2, Telephone: 604-484-7855 or at the registered offices of the Company, at 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7, Telephone: 604-689-9111 during normal business hours up to and including the date of the Meeting.

#### *RSU Plan (Share-Based Awards)*

On March 5, 2021, the Company adopted a restricted share unit plan (the "**RSU Plan**") which allows the Company to reserve for issuance under the RSU Plan a maximum of 10% of the issued Common Shares at any given time, less the number of Common Shares reserved for issuance pursuant to any other compensation plans, including the Stock Option Plan. The Company implemented the RSU Plan alongside the Stock Option Plan. As at the date hereof, there are **300,000** RSU's outstanding under the RSU Plan.

The purpose of the RSU Plan is to promote the alignment of interests among employees, directors and executive officers of the Company. A copy of the RSU Plan is available for review on the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca) and at the office of the Company's Corporate Secretary at 1500 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2, Telephone: 604-484-7855 or at the registered offices of the Company, at 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7, Telephone: 604-689-9111 during normal business hours up to and including the date of the Meeting.

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

On January 1, 2019 and as amended, the Company entered into an employment agreement with James Hutton, pursuant to which Mr. Hutton agreed to act as CEO of the Company in exchange for: (i) an annual base salary of \$225,600; (ii) eligibility to participate in the Company's bonus and other incentive compensation plans; and (iii) the grant of 425,000 stock options. The agreement will continue indefinitely unless terminated by the parties in accordance with its terms. The agreement provides certain payments to Mr. Hutton in the event his services are terminated by the Company without cause. No amounts except accrued services up to the date of the termination are payable in the event that Mr. Hutton is terminated for cause or resigns voluntarily. The agreement provides that: (a) Mr. Hutton may terminate his engagement with the Company upon 60 days' written notice to the Company; (b) the Company may terminate its engagement with Mr. Hutton upon delivery of 60 days' written notice to Mr. Hutton; and (c) if Mr. Hutton is terminated other than "for cause", the Company is required to pay to Mr. Hutton a severance amount equal to 24 months' base salary, based on the current approved retainer amounts plus any bonuses that are payable as well as full vesting of any outstanding options.



On August 23, 2021, the Company entered into an employment agreement with Mitch Codkind, pursuant to which Mr. Codkind agreed to act as CFO of the Company in exchange for: (i) an annual base salary of \$250,000; (ii) eligibility to participate in the Company's bonus and other incentive compensation plans; (iii) the grant of 250,000 stock options; and (iv) the grant of 200,000 restricted share units. The agreement will continue indefinitely unless terminated by the parties in accordance with its terms. The agreement provides certain payments to Mr. Codkind in the event his services are terminated by the Company without cause. No amounts except accrued services up to the date of the termination are payable in the event that Mr. Codkind is terminated for cause or resigns voluntarily. The agreement provides that: (a) Mr. Codkind may terminate his engagement with the Company upon 60 days' written notice to the Company; and (b) if Mr. Codkind is terminated other than "for cause", the Company is required to pay to Mr. Codkind a severance amount equal to 3 months' base salary (which will increase by one (1) additional month of base salary for each full year of employment up to a maximum of 6 months' base salary), based on the current approved retainer amounts plus any bonuses that are payable as well as full vesting of any outstanding options.

Other than as disclosed above, the Company or any of its subsidiaries has not entered into any agreement or arrangement under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were (a) performed by a director or NEO, or (b) performed by any other party but are services typically provided by a director or a NEO.

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

The Company's compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Company's business objectives of improving overall corporate performance and creating long-term value for the Company's shareholders. The compensation program is intended to reward executive officers on the basis of individual performance and achievement of corporate objectives, including the advancement of the exploration and development goals of the Company. The Company's current compensation program is comprised of base salary or fees, short term incentives such as discretionary bonuses and long term incentives such as stock options.

The Compensation Committee is responsible for assisting the Board in fulfilling its governance and supervisory responsibilities, and overseeing the Company's human resources, succession planning, and compensation policies, processes and practices. The Compensation Committee also ensures that compensation policies and practices provide an appropriate balance of risk and reward consistent with the Company's risk profile. The Board has adopted a written charter for the Compensation Committee setting out its responsibilities for administering the Company's compensation programs and reviewing and making recommendations to the Board concerning the level and nature of the compensation payable to directors and executive officers. The Compensation Committee's oversight includes setting objectives, evaluating performance, and ensuring that total compensation paid to NEOs and various other key executive officers and key managers is fair, reasonable and consistent with the objectives of the Company's philosophy and compensation program.

Under the Compensation Committee Charter, the Compensation Committee, which is comprised entirely of independent Board members, is mandated to annually review the performance objectives of the CEO and other senior executives and recommend compensation changes to the Board. Additionally, it is required to review and evaluate the performance of the CEO annually in light of pre-established performance objectives and report its conclusions to the Board. Similarly, it is required to review the compensation for the CEO and recommend any changes to the Board annually. Lastly, it is required to review the CEO's recommendations annually for the other senior executives' compensation and evaluation of performance objectives, and recommend any changes to the Board.

Prior to forming the Compensation Committee, the Board was responsible for determining director and executive officer compensation.

### **Pension Disclosure**

The Company does not operate any pension plans or provide any retirement benefits for its directors or employees.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has two equity compensation plans -- a 10% “rolling” share option plan and a 10% “rolling” restricted share unit plan, as described in this Information Circular.

The following table sets out equity compensation plan information as at the financial year end of December 31, 2022:

| <b>Plan Category</b>   | <b>Number of securities to be issued upon exercise of outstanding options, warrants and rights<br/>(a)</b> | <b>Weighted-average exercise price of outstanding options, warrants and rights<br/>(b)</b> | <b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))<br/>(c)</b> |
|--|--|--|--|
| Equity compensation plans approved by securityholders – Option Plan and RSU Plan | 14,325,833 Options<br>441,750 RSUs   | \$0.49 Options<br>N/A  | 10,283,221 Options<br>24,167,304 RSUs  |
| Equity compensation plans not approved by security holders                       | N/A  | N/A  | N/A  |
| <b>Total</b>   | <b>14,325,834 Options<br/>441,750 RSUs</b>   | <b>\$0.49 Options<br/>N/A</b>  | <b>10,283,220 Options<br/>24,167,304 RSUs</b>  |

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No executive officers or directors, or former executive officers or directors, nor any associate of such individuals, is as at the date hereof, or has been since the beginning of the financial year ended December 31, 2022, indebted to the Company or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Company or any of its subsidiaries.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

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 during the year ended December 31, 2022, or has any interest in any material transaction during fiscal 2022 other than as disclosed in Note 18 – Related Party Transactions in the Company’s annual financial statements for the financial year ended December 31, 2022.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Continuation of the Stock Option Plan

The Company’s Stock Option Plan is designed to promote the long-term success of the Company by strengthening the ability of the Company to attract and retain highly competent employees and by promoting greater alignment of interests between executives and shareholders in the creation of long-term shareholder value. For a description of the terms of the Stock Option Plan see “Director and Named Executive Officer Compensation – Stock Plans and Other Compensation Plans”.

*Shareholder Approval*

At the Meeting, Shareholders will be asked to consider and vote on an ordinary resolution to ratify, confirm and approve the continuation of the Company's Stock Option Plan for a three year period ending December 18, 2026, as follows:

**"RESOLVED** as an ordinary resolution, that:

1. the Company's Stock Option Plan dated for reference December 17, 2018 (the "**Stock Option Plan**") be ratified, confirmed and approved for continuation until December 18, 2026;
2. the number of Common Shares reserved for issuance under the Plan shall not exceed 10% of the Company's issued and outstanding share capital at the time any stock option is granted; and
3. any one or more of the directors or officers of the Company be authorized to perform all such acts, deeds and things and execute all such documents and make all such filings with the CSE that may be required to give effect to this resolution."

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the continuation of the Stock Option Plan.**

**Continuation of Restricted Share Unit Plan**

The Board determined that it is desirable to have a wide range of incentive plans including the RSU Plan in place to attract, retain and motivate employees, directors and consultants of the Company. For a description of the terms of the RSU Plan see "Director and Named Executive Officer Compensation – Stock Plans and Other Compensation Plans".

*Shareholder Approval*

At the Meeting, Shareholders will be asked to consider and vote on an ordinary resolution to ratify, confirm and approve the continuation of the Company's Restricted Share Unit Plan for a three year period ending December 18, 2026, as follows:

**"RESOLVED** as an ordinary resolution, that:

1. the Company's Restricted Share Unit Plan adopted by the Board on March 5, 2021, (the "**RSU Plan**") be ratified, confirmed and approved for continuation until December 18, 2026; \
2. the number of Common Shares reserved for issuance under the RSU Plan shall not exceed 10% of the Company's issued and outstanding share capital at the time any Restricted Share Unit is granted, less the number of Common Shares reserved for issuance pursuant to any other compensation plans, including the Stock Option Plan; and
3. any one or more of the directors or officers of the Company is authorized and directed to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to the resolution.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the approval of the RSU Plan.**

### ADDITIONAL INFORMATION

Financial information is provided in the audited consolidated financial statements of the Company for the year ended December 31, 2022 and in the related management discussion and analysis, which will be placed before shareholders at the Meeting. Additional information relating to the Company can be found on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca). Copies of the Company's audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2022 will be available upon request from the Company's Chief Financial Officer at [thomas.hays@nhbteam.com](mailto:thomas.hays@nhbteam.com), telephone: 215-620-9179. Copies of these documents will be provided free of charge to security holders of the Company. The Company may require 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

As of the date of this Information Circular, the Board is not aware of any other matters which may come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed Proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

DATED at Vancouver, British Columbia this 15<sup>th</sup> day November, 2023.

BY ORDER OF THE BOARD

***"Jay Hutton"***

Jay Hutton  
Chief Executive Officer