



MANAGEMENT INFORMATION CIRCULAR

Annual General and Special Meeting to be held at
11:30 am CST on Thursday, July 25th, 2024
(The information contained in this Management Information Circular
shall be considered correct and true as of **June 7, 2024**)

DATE: June 7, 2024

SOLICITATION OF PROXIES

This management information circular (“**Management Information Circular**”) is furnished in connection with the solicitation by the management (“**Management**”) of **Delta CleanTech Inc.** (the “**Corporation**”) of proxies to be used at the annual general and special meeting of shareholders (“**Shareholders**”) of the Corporation (“**Annual General and Special Meeting**” or “**Meeting**”) to be held at the time and place and for the purposes set forth in the notice of meeting (“**Notice of Meeting**”). Proxies will be solicited primarily by mail but may be solicited personally by regular employees of the Corporation. The cost of solicitation to registered Shareholders will be borne by the Corporation. In accordance with National Instrument 54-101, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees, and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in so doing. These shareholder materials are being sent to both registered and non-registered owners of the common shares of the Corporation. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name and 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.

APPOINTMENT AND DELIVERY OF PROXIES

The persons named in the enclosed instrument of proxy (“**Instrument of Proxy**”) are directors or officers of the Corporation and have indicated their willingness to represent as proxy the shareholder who appoints them.

Shareholders have the right to appoint a person, who need not be a shareholder, as their nominee to attend and act for them at the Meeting other than the persons designated in the Instrument of Proxy. Such right may be exercised by striking out the names of the persons designated in the Instrument of Proxy and by inserting such other person’s name in the blank space provided for that purpose or by completing another proper Instrument of Proxy. Such shareholders should notify the nominee of the appointment, obtain consent to act as proxy and should provide instructions on how the shareholder’s shares are to be voted. In any case, the Form of Proxy should be dated and executed by the shareholder, or an attorney authorized in writing, with proof of such authorization attached, where an attorney executed the proxy form.

Instruments of Proxy must be deposited:

a) Online using the control number printed on your form of proxy by visiting <https://login.odysseytrust.com/pxlogin> and clicking on vote; b) at the office of the registrar and transfer agent of the Corporation, Odyssey Trust Company, Attn: Proxy Department, Trader’s Bank Building, 702-67 Yonge Street, Toronto, ON, M5E 1J8; c) emailed to proxy@odysseytrust.com; d) mailed to or deposited at the head office of the Corporation, #002 – 2305 Victoria Avenue, Regina, Saskatchewan, S4P 0S7; e) faxed to (306) 545-3262; f) emailed to admin@compliancesolution.ca; not less than 48 hours before the Meeting (excluding Saturdays, Sundays and holidays) or any adjournment thereof (**11:30 am CST, Tuesday, the 23rd day of July, 2024**); or by signing another Instrument of Proxy bearing a later date and depositing it, as stipulated in paragraph a) or b) above.

REVOCAION OF PROXIES

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. A proxy may be revoked by either executing a proxy bearing a later date or by executing a valid notice or revocation, either of the foregoing to be executed by the shareholder or by his authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, and by depositing the proxy bearing a later date with

the registrar and transfer agent of the Corporation, at any time up to and including the last business day preceding the date of the Meeting or any adjournment thereof at which the proxy is to be used or by depositing the revocation of proxy with the Chairman of such by depositing a written notice of revocation signed by the shareholder or the shareholder's attorney authorized in writing. In addition, a proxy may be revoked by the shareholder personally attending at the Meeting and voting his/her shares.

VOTING OF PROXIES

All common shares of the Corporation ("Common Shares") represented at the Meeting by any properly executed Instrument of Proxy in the enclosed form will be voted or withheld from voting on any ballot that may be called for in accordance with the instructions given by the shareholder. If the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

In the absence of the instructions, the management designees, if named as proxy, will vote in favour of all matters set out thereon.

The enclosed Instrument of Proxy confers discretionary authority upon the person appointed as proxy with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters, which may properly come before the Meeting. As of the date hereof, the management of the Corporation is not aware of any such amendments, variations, or other matters to come before the Meeting. In the event other matters come before the Meeting, then the management designees intend to vote in accordance with the judgment of the management of the Corporation.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold Common Shares in their own name.

Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name, (referred to herein as "**Beneficial Shareholders**") are advised that only proxies from shareholders who appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of Common Shares (i. e., shareholders of record or "**Registered Shareholders**") can be recognized, and only such Registered Shareholders may vote at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, not be registered in the shareholder's name. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder's meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The Form of Proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to Registered Shareholders by the Corporation. However, its purpose is limited to instructing the Registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders, and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

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 broker, a Beneficial Shareholder may attend the Meeting as proxy holder for the Registered Shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders, who wish to attend the Meeting and indirectly vote their Common Shares as proxy holder 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.**

All references to shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to shareholders of record (Registered Shareholders) unless specifically stated otherwise. Where documents are stated to be available for review or inspection, such items will be shown upon request to Registered Shareholders, who produce proof of identity.

INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Other than stated herein, none of the directors, senior or executive officers or proposed nominees for election as a director of the Corporation or any of their associates or affiliates has or has had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on other than the election of directors or the appointment of Auditors.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The directors have fixed the close of business on **Friday, June 7, 2024**, as the **record date** for the determination of shareholders entitled to receive notice of the Meeting. Each holder of a Common Share of record on the record date will be entitled to one vote for each Common Share held by such holder on all matters proposed to come before the Meeting, except to the extent that such holder has transferred any such Common Shares after the record date and the transferee of such Common Shares produces properly endorsed share certificates or otherwise establishes ownership thereof and makes a written demand, not later than ten days before the Meeting, to be included in the list of shareholders entitled to vote at the Meeting, in which case the transferee will be entitled to vote such Common Shares at the Meeting.

The Corporation is authorized to issue an unlimited number of Common Shares and preferred shares. The Corporation has **115,073,100** Common Shares that are issued and outstanding as of the date of this Management Information Circular, without nominal or par value, each carrying the right to one vote at all meetings of the Corporation. The Corporation has no preferred shares issued or outstanding. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

David Deslauriers owns or controls, directly or indirectly 12,997,500 Common Shares (11.29%), on a diluted basis and 24,997,500 (19.67%) on an undiluted basis.

Michael Deslauriers owns or controls, directly or indirectly 13,000,000 Common Shares (11.307%), on a diluted and 23,000,000 (18.39%) on an undiluted basis.

Other than stated above, the directors and executive officers of the Corporation do not know of any person or company beneficially owning, directly or indirectly, or exercising control or direction over, Common Shares carrying more than ten (10%) per cent of the votes attached to all Common Shares of the Corporation as of the date of this Management Information Circular.

QUORUM AND MAJORITY

The Bylaws of the Corporation provide that a quorum of shareholders is present at a meeting if a holder or holders of not less than twenty-five (25%) per cent of the votes entitled to be voted at the meeting are present in person or by proxy, irrespective of the number of shareholders present.

ELECTION OF DIRECTORS

The Articles of the Corporation provide for a minimum of one and a maximum of ten Directors and provide that the number of Directors is to be fixed by the shareholders by an ordinary resolution. At the **July 25, 2024**, Annual General and Special Meeting of Shareholders, shareholders of the Corporation will be asked to consider, and if thought appropriate, approve an ordinary resolution to fix the number of Directors at four (4). The Directors may, between annual general meetings, appoint one or more additional Directors of the Corporation to serve until the next annual general meeting, but the number of additional Directors shall not exceed 1/3 of the number of Directors who held office at the expiration of the last annual meeting of the Corporation.

It is the intention of the management designees, if named as proxy, to vote for the election of the persons set forth below. Management of the Corporation does not contemplate that any of the nominees will be unable to serve as Directors, however, if for any reason any of the proposed nominees does not stand for election or is unable to serve as such, the management designees, if named as proxy, will vote proxies under their control for another nominee in their discretion, unless the shareholder has specified in his proxy that his Common Shares are to be withheld from voting in the election of Directors.

Names of the persons to be nominated for election as directors, the positions and offices in the Corporation currently held by them, their principal occupations, business and employment, and the number of Common Shares of the Corporation that they beneficially own, directly, or indirectly, or over which control or direction is exercised by them, is set forth in the following table. The nominees will be elected for a term expiring at the next Annual General Meeting of Shareholders of the Corporation.

All the persons listed below have been engaged for more than five years in their present principal occupations or executive positions with the same or associated companies.

Nominated & Proposed Directors			
Name, Province, and Country of Residence	Principal Occupation, Business or Employment and Committee Members	Common Shares of the Corporation Owned or Controlled	First Elected or Nominated as a Director
Jeffrey Allison, Alberta, Canada ^{1&5}	President and CEO of Delta with its principal business being Clean Energy; Non-Independent Director; Member of the Compensation Committee; Director, President, and Secretary of HTC Pureenergy Inc. (“ HTC ”); Director and CEO of Kingsland Energy Corp. (“ KLE ”).	(Directly) 1,190,166 (1.03%) (Indirectly) 500 (0.0004%)	2020
Wayne Bernakevitch, Saskatchewan, Canada ^{2&5}	Former Corporate Counsel McDougall Gauley (Law Firm); Chairman and Non-Independent Director; Member of the Audit, and Nominating Committees; Chairman of HTC and KLE.	(Directly) 2,039 (0.002%)	2020
Lionel Kambeitz, Saskatchewan, Canada ^{3&5}	Chairman, CEO and President of Above Food Corp. with its principal business being a plant-based food company; Non-Independent Director, Member of the Audit, Compensation and Nominating Committee, Director of KLE; and Director of HTC.	(Directly) 4,190,983 (3.64%) (Indirectly) 3,782 (0.003%)	2020
Garth Fredrickson, Saskatchewan, Canada ^{4&5}	President of Friona Development and Consulting Ltd. and Vice-President of Bison Properties Limited, Independent Director and Member of the Audit Committee; Independent Director of HTC and KLE	(Indirectly) 2,500,500 (2.173%)	2020

¹Mr. Jeffrey Allison directly owns 1,190,166 Common Shares (1.03%) of Delta, and owns or controls, indirectly, 500 Common Shares (0.0004%) through his 100% share ownership in Clearview Financial Services Inc. In total, Mr. Allison owns or controls, directly or indirectly, 1,190,666 Common Shares (1.03%) on an undiluted basis, and 3,191,166 Common Shares (2.73%) on a fully diluted basis.

²Mr. Wayne Bernakevitch owns directly, 2,039 Common Shares (0.002%) on an undiluted basis and 502,289 Common Shares (0.43%) on a fully diluted basis.

³Mr. Lionel Kambeitz directly owns 4,190,983 Common Shares (3.64%) of Delta and owns and controls, indirectly, 3,782 Common Shares (0.003%), through his 1% interest in KF Kambeitz Land Corp., his 100% ownership of 102098422 Saskatchewan Ltd. and his 50% interest in Market Power Trade Group. In total, Mr. Kambeitz owns or controls, directly or indirectly, 4,194,765 Common Shares (3.65%) on an undiluted basis, and 5,345,200 Common Shares (4.60%) on a fully diluted basis.

⁴Mr. Garth Fredrickson owns directly, Nil Common Shares, and indirectly, 2,500,500 Common Shares (2.17%) through Friona Development & Construction Ltd. on an undiluted basis and 5,400,750 Common Shares (4.58%) on a fully diluted basis.

⁵ On May 4, 2021, May 2, 2022 and on or about April 27, 2023, HTC applied for Management Cease Trade Orders (“**MCTO**”) pursuant to National Policy 12-203, as a result of its failure to file its audited annual financial statements, management’s discussion and analysis and related certifications for the fiscal years ended December 31, 2020, December 31, 2021 and December 31, 2022 (“**Materials**”) in a timely manner. The first and second delays were caused due to auditor and valuation delays, and TSX-V final approval regarding a reviewable transaction. The third delay was caused due to the closing of the reviewable transaction. The 2020 YE Materials were successfully filed on July 30, 2021, the 2021 YE Materials were successfully filed on October 20, 2022, and the 2022 YE Materials were successfully filed on June 30, 2023.

Board of Directors

The board of directors of the Corporation (the “**Board**”), which has the statutory responsibility to oversee the conduct of the business of the Corporation and to supervise management, as of the date of this Management Information Circular, is comprised of four directors, of which one is independent. Accordingly, 25% of the directors on the Board are independent. A director is independent if he or she would be independent within the meaning of section 1.4 of National Instrument (“**NI**”) 52-110 - *Audit Committees*. The independent director is Garth Fredrickson. Lionel Kambeitz, Wayne Bernakevitch and Jeffrey Allison are not independent by virtue of being executive or former executive officers of the Corporation.

The Board facilitates its exercise of independent judgment in carrying out its responsibilities by carefully examining issues involving the Corporation while maintaining an objective view. In addition, the Board requires management to provide complete and accurate information with respect to the Corporation’s activities, both good and bad. Most importantly, the Chair actively seeks out the views of the independent directors on all Board matters. Independent directors meet whenever a matter arises which requires their independent judgement.

Lionel Kambeitz, Jeffrey Allison, Wayne Bernakevitch and Garth Fredrickson are presently directors of HTC. Lionel Kambeitz, Jeffrey Allison, and Wayne Bernakevitch are also presently directors of KLE. No other directors of the Corporation are currently directors

of other reporting issuers (or the equivalent).

Orientation and Continuing Education

Given the current size of the Corporation and the Board, the Corporation provides only a limited orientation and education program for new directors. This process includes discussions with the Chief Executive Officer and the Chief Financial Officer with respect to the business and operations of the Corporation. In addition, any newly appointed or elected directors are taken on an extensive tour of the Corporation's plants and operations. Each new Board member is also entitled to review all previous minutes of the Board and the shareholders and receive all policies and codes of the Corporation. Any new director is encouraged to ask questions about the role of the Board, its committees and the nature and operations of the Corporation's business.

Management keeps the Board up to date on corporate developments and changes in legal, regulatory and industry requirements affecting the Corporation. Also, the Board supports and encourages senior management and directors to take professional development courses at the Corporation's expense. Directors or a group of directors may also engage outside advisors, at the Corporation's expense, to provide advice with respect to a decision or action of the Corporation upon providing notice thereof to the Corporation.

Ethical Business Conduct

The Corporation has adopted a written code of ethical business conduct (the "Code") for the Corporation's directors, officers, and associates, which include employees and consultants. A copy of the Code may be obtained by writing to the Corporation and requesting same. The Code is also available on the Corporation's website at www.deltacleantech.com and on SEDAR+ at www.sedarplus.ca.

The Board encourages people to follow the Code by making it widely available. It is distributed to directors, officers, and employees at the commencement of their appointment or employment, as the case may be. The Corporation advises directors, officers, and employees to read and study the Code. The Board feels that the consequences of not complying with the Code, including the termination of one's employment or appointment, as the case may be, encourage compliance with the Code. The Board also encourages people to report violations of the Code, and allows people to submit their complaints anonymously, which the Board feels encourages compliance. Since the beginning of the Corporation's most recently completed financial year, no material change reports have been filed that pertain to any conduct of a director or officer of the Corporation that constitutes a departure from the Code.

The Board encourages and promotes a culture of ethical business conduct by appointing directors who demonstrate integrity and high ethical standards in their business dealings and personal affairs. Directors are required to abide by the Code and are expected to make responsible and ethical decisions in discharging their duties, thereby setting an example of the standard to which management and employees should adhere.

The Board is responsible for responding to potential conflict of interest situations, particularly with respect to considering existing or proposed transactions and agreements in respect of which directors or officers advise they have a material interest. The Board's responsibilities are governed by the *Business Corporations Act* (Alberta), which requires a director with a material interest in an agreement to disclose the interest in the agreement to the Board and to abstain from voting on the agreement in certain circumstances. By ensuring that these steps are followed, the Board strives to ensure that directors exercise independent judgement in considering transactions and agreements in respect of which directors and executive officers have an interest.

Nomination of Directors

The Board has constituted a Nominating Committee to assist the Board in identifying individuals who are qualified to become Board members, to recommend to the Board the nominees for election at the next annual meeting of shareholders and to recommend to the Board nominees for each committee. The Nominating Committee, if required to, actively seeks out individuals qualified to become Board members for recommendation to the Board. The Nominating Committee is responsible for reviewing the qualifications and independence of the members of the Board and its various committees on a periodic basis as well as the composition of the Board as a whole. In making its recommendations to the Board, the Nominating Committee is to consider: (a) the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess; (b) the competencies and skills that the Board considers each existing director to possess; (c) the competencies and skills each new nominee will bring to the boardroom; and (d) whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board member. The Nominating Committee and the Board have adopted a Nominating Committee Charter which the Nominating Committee adheres to in carrying out its responsibilities.

The Nominating Committee is comprised of Wayne Bernakevitch and Lionel Kambeitz. The chair of the Nominating Committee is Wayne Bernakevitch. The Nominating Committee is required to adhere to the Nominating Committee Charter, which the Board feels encourages an objective process with respect to the nomination of directors.

The Committee reviews and reassess the adequacy of its Charter and its own performance annually and recommends any proposed changes to the Board for approval. A copy of the Nominating Committee Charter can also be found on the Corporation's web site at www.deltacleantech.com and on SEDAR+ at www.sedarplus.ca. The Corporation's Nominating Committee and Board have approved the Charter. Upon a shareholder's request, the Corporation will promptly provide a copy of the Nominating Committee Charter to the requesting shareholder, free of charge.

AUDIT COMMITTEE

Pursuant to Section 171 of the *Business Corporations Act* (Alberta), the Policies of the Canadian Securities Exchange (“**Exchange**”) and National Instrument (“**NI**”) 52-110 *Audit Committees*, the Corporation is required to have an Audit Committee.

The Audit Committee reviews the interim financial statements and interim managements’ discussion and analysis of the Corporation on a quarterly basis and discusses these statements with the Corporation’s Accountant and or Auditor if necessary. In addition, the interim financial statements and interim managements’ discussion and analysis are approved by way of an Audit Committee resolution and the annual financial statements and annual managements’ discussion, and analysis are approved by way of Audit Committee resolution and then recommended for approval by the Board. The Audit Committee meets annually to review and discuss the annual financial statements and the annual managements’ discussion and analysis with the Corporation’s accountant and auditor. Once approved, the Audit Committee recommends to the Board that the annual financial statements and annual managements’ discussion and analysis be approved by the Board.

The Audit Committee Charter, a copy of which is attached hereto marked at **Exhibit “A”** (a copy of which can also be found on the Corporation’s web site at www.deltacleantech.com and on SEDAR+ at www.sedarplus.ca), has been adopted by the Corporation’s Audit Committee and the Board. Upon a shareholder’s request, the Corporation will promptly provide a copy of the Audit Committee Charter to the requesting shareholder, free of charge. The Committee reviews and reassesses the adequacy of this Charter and its own performance annually and recommends any proposed changes to the Board for approval.

As of the date of this Management Information Circular, the Corporation has an Audit Committee consisting of three members. The current members are Messrs. Wayne Bernakevitch, Garth Fredrickson and Lionel Kambeitz. All three Audit Committee members are financially literate. One Audit Committee member is considered an independent Audit Committee member under NI 52-110, namely Mr. Garth Fredrickson. Mr. Wayne Bernakevitch is considered a non-independent member of the Audit Committee under NI 52-110, due to the fact that he is the Chairman of the Board. Mr. Lionel Kambeitz is considered non-independent, due to his position as employee and former executive officer of the Corporation.

Relevant education and experience

The Audit Committee members are financially literate, as required in NI 52-110, in that they are not only directors of the Corporation, but also directors and founders of various other private and/or publicly traded companies, where they have obtained:

- (i) an understanding of the accounting principles used by the Corporation to prepare its financial statement;
- (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- (iii) experience preparing, auditing, and 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 Corporation’s financial statements, or experience actively supervising one or more individuals engaged in such activities; and
- (iv) an understanding of internal controls and procedures for financial reporting.

Audit Fee

The aggregate fees billed by the Corporation’s external Auditor in each of the last two fiscal years for audit fees are estimated at \$80,000 for 2023 and \$80,150 for the fiscal year 2022.

Exemption

The Corporation relies upon the exemption in Section 6.1 of NI 52-110.

Other Board Committees

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

Assessments

The process of assessing Board effectiveness is carried on through an informal process of engagement and dialogue between the Chair and the individual directors.

STATEMENT OF EXECUTIVE COMPENSATION

General Provisions

For the purposes of this Information Circular:

“**CEO**” means an individual who acted as chief executive officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” means an individual who acted as chief financial officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**equity incentive plan**” means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 *Share-based Payment*;

“**incentive plan**” means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

“**incentive plan award**” means compensation awarded, earned, paid, or payable under an incentive plan;

“**NEO**” or “**named executive officer**” means each of the following individuals: (a) the CEO of the Issuer; (b) the CFO of the Issuer; (c) the most highly compensated executive officers of the company, including any of its subsidiaries, other than the CEO and CFO of the Issuer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

“**non-equity incentive plan**” means an incentive plan or portion of an incentive plan that is not an equity incentive plan; and

“**option-based award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features.

Compensation Discussion and Analysis

Compensation Committee

The Corporation has a Compensation Committee which is responsible in helping the Board to discharge the Board’s responsibilities relating to compensation of the Corporation’s executive officers, senior executives and directors and approving and evaluating all compensation plans, policies, and programs of the Corporation as they effect the executive officers and other senior executives.

In carrying out its mandate, the Compensation Committee is required to annually review and approve the Corporation’s goals and objectives relevant to the Chief Executive Officer’s compensation, evaluate the Chief Executive Officer’s performance in light of those goals and objectives and recommend to the Board the Chief Executive Officer’s compensation levels based on this evaluation. The Compensation Committee makes recommendations to the Board with respect to other officer and director compensation, incentive compensation plans and equity-based plans. In assessing compensation, the Compensation Committee reviews external surveys and other third-party information pertaining to compensation paid by the Corporation’s industry peers to their directors and considers the duties and responsibilities of each director and/or officer, his past service, and continuing duties in service to the Corporation. The Compensation Committee also discusses the corporate goals and objectives relevant to NEO compensation. In addition, the Compensation Committee has the power to engage a compensation consultant or advisor to assist in determining appropriate compensation and also has the authority to obtain advice and assistance from internal or external legal, accounting, or other advisors. The Compensation Committee and the Board have adopted a Compensation Committee Charter which the Compensation Committee adheres to in carrying out its responsibilities.

The Compensation Committee is comprised of two non-independent directors. The members of the Compensation Committee are Lionel Kambeitz and Jeffrey Allison. The chair of the Compensation Committee is Lionel Kambeitz. The Board believes that having these individuals on the committee ensures an objective process for determining the compensation of the Chief Executive Officer and Chief Financial Officer for the Corporation. Both committee members have served on various public and private companies’ board of directors and compensation committees, which exposure has provided them with the necessary experience that is relevant to their responsibilities related to serving as committee members. The Compensation Committee is required to adhere to the Compensation Committee Charter, which the Board feels encourages an objective process for recommending the compensation of the Corporation’s officers and directors.

No compensation consultant or advisor has at any time since the beginning of the Corporation’s most recently completed financial year been retained to assist in determining compensation for any of the Corporation’s directors or officers.

The Committee reviews and reassess the adequacy of its Charter and its own performance annually and recommends any proposed changes to the Board for approval. The Compensation Committee Charter, a copy of which can be found on the Corporation’s website at www.deltacleantech.com and on SEDAR+ at www.sedarplus.ca, has been adopted by the Corporation’s Compensation Committee and the Board. Upon a shareholder’s request, the Corporation will promptly provide a copy of the Compensation Committee Charter to the requesting shareholder, free of charge.

Risk Considerations

The Compensation Committee reviews from time to time and at least once annually, the risks, if any, associated with the Corporation’s compensation policies and practices. Implicit in the Compensation Committee’s mandate is that the Corporation’s policies and practice respecting compensation, including those applicable to the Corporation’s executive, be designed in a manner which is in the best interests of the Corporation and its shareholders and risk implications is one of many considerations which are taken into account in such design.

A portion (set at a level consistent with its industry peers) of the Corporation’s executive compensation for the year 2023, may consist of options granted under the Plan. Such compensation is both “long term” and “at risk” and, accordingly, is directly linked to the achievement of long-term value creation. As the benefits of such compensation, if any, are not realized by the executive until a significant period of time has passed, the ability of executives to take inappropriate or excessive risks that are beneficial to them from the standpoint of their compensation at the expense of the Corporation and its shareholders is extremely limited. Currently the Corporation has 5,700,000 stock options outstanding. Whenever stock options are outstanding, there is some risk, that due to the fact that the stock options are exercisable over a period of time, that the share price may increase and accordingly, that the said stock options may be exercised well below

market value. This risk is limited to a maximum 5-year period and has been considered and approved by the Board. All stock options have been granted in accordance with regulatory policies.

The other element of compensation, salary, represents the remaining portion of an executive’s total compensation. While salary is not “long term” or “at risk”, as noted above, these components of compensation represent a relatively small part of total compensation and as a result it is unlikely that an executive would take inappropriate or excessive risks at the expense of the Corporation and its shareholders that would be beneficial to them from the standpoint of their short term compensation when their long term compensation might be put at risk from their actions.

Due to the size of the Corporation, and the current level of the Corporation’s activity, the Board is able to closely monitor and consider any risks which may be associated with the Corporation’s compensation policies and practices. Risks, if any may be identified and mitigated through regular Board meetings during which, financial and other information of the Corporation are reviewed, and which review includes executive compensation.

Save for the possibility of future stock option issuances, no other risks have been identified arising from the Corporation’s compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

No NEO or director is permitted to purchase financial instruments including for greater certainty, prepaid variable forward contracts, equity swaps, collars, units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by an NEO or director.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

The Board considers the compensation for the NEOs to be below compensation offered to senior officers of corporations of similar size in the same industry.

The Compensation Committee annually reviews and approves the Corporation’s compensation to executives of the Corporation. In assessing compensation, the Compensation Committee considers external surveys and other third-party information pertaining to compensation paid by the Corporation’s industry peers to their executives performing similar duties. The Compensation Committee considers the duties and responsibilities of each individual, his/her past service, and continuing duties in service to the Corporation.

The current Board consists of four members: Messrs. Jeffrey Allison, President, CEO and Corporate Secretary, Wayne Bernakevitch, Chairman, Lionel Kambeitz and Garth Fredrickson. Directors may receive compensation or remuneration for their services provided as directors of the Corporation. Directors may also be engaged in a consulting capacity directly or through a corporation. Directors are reimbursed for expenses incurred in discharging their responsibilities as directors of the Corporation. The Board approved a \$500 director’s fee, payable to each director attending a Board or Committee Meeting, to a maximum of \$500 per day and \$250.00 per day for a meeting held by phone.

SUMMARY COMPENSATION TABLE

The following table and notes thereto set forth a summary of the annual and long-term compensation for services paid to the Chairman, the CEO and President, and the CFO (the “Named Executive Officers” or “NEO”) and the remaining directors of the Corporation.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Year	Salary, Consulting fee, retainer, or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Jeffrey Allison, President, CEO & Director	2023	140,004	-	500	8,400	13,200	162,104
	2022	130,000	-	750	2,800 ¹	10,800 ²	144,350
	2021	125,000	-	1,000	-	9,600 ²	135,600
Jacelyn Case, CFO	2023	88,000	-	-	-	-	88,000
	2022	88,000	5,000	-	-	-	93,000
	2021	70,560	10,000	-	-	-	80,560
Donato Sferra, Corporate Development Officer	2023	76,000	-	-	-	-	76,000
	2022	120,000	-	-	-	-	120,000
	2021	110,000	50,000 ³	-	-	-	160,000
Lionel Kambeitz, Director ⁴	2023	40,000	-	500	-	-	40,500
	2022	120,000	-	1,500	-	-	121,500
	2021	110,000	50,000 ³	1,000	-	-	161,000
Wayne Bernakevitch, Chairman	2023	-	-	1,000	-	-	1,000

	2022	-	-	1,500	-	-	1,500
	2021	-	-	1,000	-	-	1,000
Garth Fredrickson, Director	2023	-	-	1,000	-	-	1,000
	2022	-	-	1,500	-	-	1,500
	2021	-	-	1,000	-	-	1,000

¹As of September 2022, Mr. Allison received \$700/month paid towards his car allowance.

²\$10,800 (2021-\$9,600) was paid as office rent to Clearview Financial Services Inc., a company of which Mr. Allison owns 100%, Mr. Allison's consulting fee is also paid to Clearview Financial Services Inc.

³Executive Officers Lionel Kambeitz and Donato Sferra, who are also employees of the Corporation, are eligible to receive an annual discretionary bonus in cash, in an amount to be determined by the Board of up to 200% of their base salary, based on the attainment of individual and corporate metrics. They shall receive an additional cash bonus of \$50,000 upon: (a) the listing of the Corporation's securities on a recognized stock exchange in North America; and (b) upon the Corporation achieving a market capitalization of \$100 million. Each year, upon the Corporation approving its annual financial statements, they shall receive an amount equal to 5% of their base salary for each: (a) increase of \$5 million in revenue; or (b) increase of \$500,000 in EBITDA of the Corporation.

⁴Lionel Kambeitz has not accepted any employment compensation for the period June, 2023 to current.

There were no other Named Executive Officers during the most recently completed financial year whose total compensation exceeded \$150,000 per year.

INCENTIVE PLAN AWARDS

The Corporation has in place a stock option plan ("**Stock Option Plan**"), a copy of which is attached hereto as Exhibit "B". The principal purposes of this Stock Option Plan are to provide the Corporation with the advantages of the incentive inherent in equity ownership on the part of eligible persons, namely employees, consultants and executives, who are responsible for the continued success of the Corporation; to create in those eligible persons a proprietary interest in, and a greater concern for, the welfare and success of the Corporation; to encourage eligible persons to remain with the Corporation and any subsidiaries; and to attract new employees, executives and consultants. This Stock Option Plan is expected to benefit shareholders by enabling the Corporation to attract and retain personnel of the highest caliber by offering them an opportunity to share in any increase in value of the Common Shares resulting from their efforts.

The Corporation also has in place a restricted share units ("**RSU**") plan ("**RSU Plan**"). The RSU Plan provides for the payment of bonuses to be satisfied by the issuance of Common Shares, a payment in cash or a combination thereof for the purpose of advancing the interests of the Corporation and its affiliates through the motivation, attraction and retention of eligible employees, directors and eligible consultants and to secure for the Corporation and the shareholders of the Corporation, the benefits inherent in the ownership of Common Shares or share equivalent by such persons, it being generally recognized that restricted share plans aid in attracting, retaining and encouraging employees due to the opportunity offered to them to benefit from a proprietary interest in the Corporation.

Accordingly, the Stock Option Plan is intended to supplement the RSU Plan, (each a "**Securities Based Compensation Arrangement**" and together with the RSU Plan, the "**Securities Based Compensation Arrangements**"), provided that the aggregate issuances under all the Securities Based Compensation Arrangements do not exceed 20% of the issued and outstanding Common Shares on a non-diluted basis on each date of grant. The Board of the Corporation has adopted both the Stock Option Plan and the RSU Plan for the Corporation. Currently the Corporation is authorized to issue an aggregate of 23,014,620 stock options ("**Stock Options**") and RSUs of which 5,700,000 Stock Options and Nil RSU's are currently and were issued and outstanding, as at December 31, 2024.

The Board has the authority to grant Stock Options to participants, and determines the terms and conditions applicable to the exercise of those Stock Options, provided the terms meet the requirements imposed by law or the stock exchange, including the number of Common Shares issuable under each Stock Options, the exercise price, the expiry date, vesting conditions, if any, the nature and duration of the restrictions, if any, to be imposed on the sale or other disposition of Common Shares acquired on exercise of the Stock Options, and the events, if any, that give rise to a termination or expiry of the participant's rights under the Stock Options, and the period in which such termination or expiry can occur. In allocating any Stock Options grants, the Board considers the interests of the Corporation. The Board encourages the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire Common Shares in the share capital of the Corporation, thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs. Prior to any new allocation, previously allocated option-based awards are taken into consideration.

The Board may grant RSUs to RSU participants at such times as the Board in its sole and absolute discretion may determine. The Board also determines the time vesting conditions for each RSU grant, which is set out in the RSU Participant's award agreement. Vested RSUs are payable in cash or Common Shares, or a combination of both cash and Common Shares, issued by the Corporation at the sole discretion of the Board. Absent exceptional circumstances, the Corporation expects that all RSUs will be settled in Common Shares issued by the Corporation. Where the payout is to be settled in cash, the Corporation will provide the RSU Participant with a cash payment determined by multiplying the number of RSUs being redeemed for cash, by the fair market value of one Common Share on the vesting date, less any applicable taxes and other source deductions required to be withheld by the Corporation.

17,314,620 Common Shares remain available under the Stock Option Plan and RSU Plan. Any Stock Options not exercised under the Stock Option Plan, by the end of ten years, from the date granted, expire (earlier if required by securities law or by agreement). Upon termination of employment and directorship, all vested Stock Options expire within a reasonable period. All RSU's expire upon termination of employment or consulting services, and in the case of a director, the removal or of failure to re-elect or re-appoint the director. The maximum number of Common Shares to be issued to any one individual under both plans, shall not exceed the maximum number of Common Shares to be issued under the rules of any stock exchange on which the Common Shares are then listed or other regulatory body having jurisdiction. The exercise price under the Stock Option Plan, as set by the Board, shall be subject to the minimum option exercise price permitted by the stock exchange upon which the Common Shares are listed. Every RSU, issued at fair market value, will entitle the holder to (i) one previously unissued Common Share; or (ii) a cash payment equal to the number of RSUs multiplied by the fair market value of one Common Share on the vesting date; or (iii) a combination of (i) and (ii), as determined by the Board or Board appointed committee in its sole discretion, on the date when the RSU award is fully vested.

EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS

The former Chief Executive Officer is an employee of the Corporation. Under the terms of his employment agreement (“**Employment Agreement**”), compensation is paid in accordance with the remuneration package agreed upon by the Corporation’s Compensation Committee and the individuals respectively. This remuneration package is subject to periodic review and adjustment by the Compensation Committee, based on performance. The CEO may voluntarily terminate his Employment Agreement by providing the Corporation with 30 days' prior written notice. The Corporation may terminate the Employment Agreement without Cause, upon 36 months' written notice, or the Executive Officer may resign with Good Reason (which shall be deemed to have been terminated without Cause), in which event, the Corporation shall pay in lieu of notice or any combination of both, as the case may be, compensation for the 36 months, based on base salary and bonus. The bonus is calculated based on the average bonus received in the previous 3 years. In the event that the Corporation undergoes a change of control: (a) any and all unvested securities granted or issued to the Executive Officer under any incentive plan shall automatically vest on the date of the change of control; (b) the Executive Officer may, within 12 months of the change of control, upon at least 60 days prior written notice to the Board, resign, in which case the Corporation shall pay, compensation for the 36 months, based on base salary and bonus; or (c) the Executive Officer shall immediately tender his resignation from any position upon giving notice of resignation. Upon termination of the Employment Agreement, all Corporation imposed restrictions on any securities held by the Executive Officer shall be released.

The President performs his services to the Corporation, under a consulting agreement, through his wholly owned subsidiary, Clearview Financial Services Inc. His consulting agreement may be terminated by mutual consent, by (i) the President in any petition, proceeding or other action under any law relating to bankruptcy or insolvency, provided that he shall be entitled to his consulting fees, for a term of 3 years; and (ii) by the Corporation, at any time or in the event of death or disability of the President, provided that the Corporation shall pay his consulting fees for a term of 18 months. Should either party breach the terms of the consulting agreement, the other party must give 60 days' notice to rectify the breach, failing which the breach will be arbitrated by director Mr. W. Bernakevitch, whose ruling shall be final and binding.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Plan Category	a)Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b)Weighted-average exercise price of outstanding options, warrants and rights	(c)Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	Nil	Nil	Nil
Equity compensation plans not approved by security holders	5,700,000	.24	17,314,620
Total	5,700,000	.24	17,314,620

Currently the Corporation is authorized to issue an aggregate of 23,014,620 stock options (“**Stock Options**”) and RSUs of which 5,700,000 Stock Options and Nil RSU's were issued and outstanding, as at December 31, 2024, representing 4.95% of the outstanding Common Shares and 17,314,620 (15.05%) securities remained available for grant under the Securities Based Compensation Arrangements. Of the 5,700,000 Stock Options that are outstanding, 4,800,000 of these Stock Options have an exercise price of \$0.20 and expire Feb 19, 2025, and vest over 3 years, in equal parts, Feb 19, 2022, Feb 19, 2023, and Feb 19, 2024. 400,000 of these Options have an exercise price of \$0.10, expire Feb 19, 2025, and vest over 2 years, in equal parts, Sept 29, 2022, Feb 19, 2023, and Feb 19, 2024. 500,000 of these Options are exercisable at \$0.61, have already vested, and expire Nov 1, 2026.

A Stock Option may only be granted to a consultant under the Stock Option Plan if the number of Common Shares reserved for issuance under that Stock Option, when combined with the number of Common Shares reserved for issuance under all Stock Options granted

within the one-year period before the grant date by the Corporation to consultants, does not exceed, in aggregate, 2% of the outstanding Common Shares on the grant date.

Furthermore, the total number of Stock Options that may be reserved for issuance to related persons (as a group) under the Option Plan and any other Security Based Compensation Arrangements, in aggregate, may not exceed, at any time, or within any 12-month period, 10% of the issued and outstanding Common Shares, on a fully diluted basis, as at the date of grant of any Stock Options under this Stock Option Plan.

The total number of Stock Options that may be reserved for issuance and granted to any person under the Stock Option Plan and all other Securities Based Compensation Arrangements, in aggregate, may not exceed at any time, or within a 12-month period, 5% of the issued and outstanding Common Shares, on a fully diluted basis, as at the date of grant of any Stock Options under the Stock Option Plan.

The Stock Option Plan is administered by the Board, and the Board may delegate its powers, rights, and obligations to a committee. The Board may terminate the Stock Option Plan at any time in its absolute discretion, without Shareholder approval.

The total number of Common Shares issuable to any one person, including under this RSU Plan and all other Security Based Compensation Arrangements, may not exceed at any time, or within any 12-month period, 5% of the issued and outstanding Common Shares, on a fully diluted basis, as at the date of grant of any RSU.

A grant of RSUs will not entitle any RSU Participant to rights as a Shareholder of the Corporation prior to receipt of Common Shares. No holder of RSUs is entitled to receive, and no adjustment shall be made for, any dividends, distributions or any other rights declared for Shareholders of the Corporation for which the record date is prior to the date on which the RSU Participant becomes record owners of such Common Shares.

The RSU Plan is administered by the Board (or by the Committee upon delegation by the Board). The Board may terminate, discontinue, or amend the RSU Plan at any time without the consent of a RSU Participant, such termination, discontinuance, or amendment may not adversely affect such RSU Participant's rights under any RSU granted.

The Securities Based Compensation Arrangements do not require Shareholders approval.

APPOINTMENT OF AUDITORS

On November 26, 2021, the Directors of the Corporation appointed Ernst & Young (“EY”) as the successor Auditor for the Corporation. Management designees named in the enclosed Instrument of Proxy intend to vote for the reappointment of Ernst & Young as the Auditor of the Corporation, to hold office until the close of the next Annual General Meeting of shareholders, or until Ernst & Young is removed from office or resigns as provided by the Corporation's bylaws, at a remuneration to be fixed by the Board.

PARTICULARS OF MATTERS TO BE CONSIDERED AND ACTED UPON

AUDITED ANNUAL FINANCIAL STATEMENTS AND ANNUAL MANAGEMENT DISCUSSION AND ANALYSIS

Copies of the Audited Annual Financial Statements (“AAFS”) and Annual Management Discussion and Analysis (“AMDA”) for the year ending December 31, 2023, as approved by the Board of the Corporation, can be viewed on the Corporation's website at www.deltacleanstech.ca and are also available on SEDAR+ at www.sedarplus.ca. The AAFS and AMDA and the accompanying Auditor's report will be considered at the Meeting.

NUMBER OF DIRECTORS

At the Meeting, the shareholders of the Corporation will be asked to consider and, if thought fit, approve an ordinary resolution to fix the number of Directors to be elected at four (4).

Unless otherwise indicated in the Instrument of Proxy, it is management's intention to vote the proxies in favour of the resolution fixing the number of Directors to be elected at four (4) for the next ensuing year.

The text of the ordinary resolution which Management intends to place before the Meeting for the approval is as follows:

“Be it resolved as an ordinary resolution of the Corporation that:

- 1. the number of Directors to be elected for the next ensuing year, be fixed at the number four (4); and**
- 2. any one (or more) Director or Officer of the Corporation is authorized and directed, on behalf of the Corporation, 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 (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”**

In order to be effective, an ordinary resolution requires approval of a majority of the votes cast by shareholders who vote in respect of the resolution.

ELECTION OF BOARD

At the Meeting, the shareholders of the Corporation will be asked to vote in favour of the election of Mr. J. Allison, Mr. W. Bernakevitch, Mr. L. Kambeitz, and Mr. G. Fredrickson as directors to the Board of the Corporation. Management does not contemplate that any of such nominees will be unable to serve as directors, however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion unless the shareholder has specified in his proxy that his shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next Annual Meeting of shareholders or until his successor is duly elected unless his office is vacated earlier in accordance with the By-laws of the Corporation.

In the absence of contrary directions, the Management Designees intend to vote proxies in the accompanying form in favour of this ordinary resolution.

The text of the ordinary resolution which Management intends to place before the Meeting for the approval is as follows:

“Be it resolved as an ordinary resolution of the Corporation that:

- 1. Messrs. Jeffrey Allison, Wayne Bernakevitch, Lionel Kambeitz, and Garth Fredrickson, be and are hereby elected as the Directors of the Corporation for the next ensuing year; and**
- 2. any one (or more) Director or Officer of the Corporation is authorized and directed, on behalf of the Corporation, 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 (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”**

In order to be effective, an ordinary resolution requires approval of a majority of the votes cast by shareholders in person or by proxy who vote in respect of this resolution.

APPOINTMENT OF AUDITOR AND REMUNERATION

At the Meeting, the shareholders of the Corporation will be asked to consider and, if thought fit, approve an ordinary resolution to elect EY as the auditor for the Corporation.

In the absence of contrary directions, the Management Designees intend to vote proxies in the accompanying form in favour of this ordinary resolution.

The text of the ordinary resolution which Management intends to place before the Meeting for the approval is as follows:

“Be it resolved as an ordinary resolution of the Corporation that:

- 1. EY be and is hereby elected as auditor of the Corporation for the next ensuing year and the Directors are authorized to fix their remuneration; and**
- 2. any one (or more) Director or Officer of the Corporation is authorized and directed, on behalf of the Corporation, 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 (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”**

In order to be effective, an ordinary resolution requires approval of a majority of the votes cast by shareholders in person or by proxy who vote in respect of this resolution.

SPECIAL BUSINESS:

APPROVAL OF STOCK OPTION PLAN

The Corporation grants Stock Options under an evergreen (also known as a “rolling”) Stock Option Plan. In order to comply with Exchange policies, the shareholders of the Corporation must approve this Stock Option Plan every three year. The Corporation intends to obtain shareholders’ approval of its Stock Option Plan again in 2027.

The Board approved the Stock Option Plan by a directors’ resolution dated June 7, 2024. The Shareholders of the Corporation will be asked to consider and if thought fit, approve an ordinary resolution authorizing the Stock Option Plan. In the absence of contrary

directions, the Management Designees, if named as proxy, intend to vote proxies in the accompanying form in favour of this ordinary resolution.

The text of the ordinary resolution which management intends to place before the Meeting for the approval, adoption and ratification of the Plan is as follows:

“Be it resolved as an ordinary resolution of the Corporation that:

- 1. the Stock Option Plan of the Corporation, substantially in the form attached as Exhibit “B” (the “Plan”) to the Management Information Circular of the Corporation prepared for the purpose of the Meeting, be and is hereby approved and adopted as the Stock Option Plan of the Corporation;**
- 2. the form of the Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities, from time to time, without requiring further approval of the shareholders of the Corporation;**
- 3. the shareholders of the Corporation hereby expressly authorize the Board to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and**
- 4. any one (or more) director or officer of the Corporation is authorized and directed, on behalf of the Corporation, 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 (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”**

In order to be effective, an ordinary resolution requires approval of a majority of the votes cast by shareholders in person or by proxy who vote in respect of this resolution.

OTHER MATTERS TO BE ACTED UPON

Management of the Corporation is unaware of any other matters to come before the Annual General and Special Meeting of shareholders, other than the matters referred to in the Notice of Annual General and Special Meeting of Shareholders. However, if any other matters should properly come before the meeting or if amendments or variations to the matters referred to in the Notice of Annual General and Special Meeting of Shareholders are presented for action at the meeting, the Instrument of Proxy will be voted on such matters, amendments, or variations in accordance with the best judgment of the persons voting the proxies, which confer discretionary authority to all the Directors.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.ca. Shareholders may contact the Corporation to request copies of the Corporation’s AAFS, unaudited interim financial statements, AMDA and interim management’s discussion and analysis at telephone number (306) 352-6132, by fax at (306) 545-3262, by email at jallison@deltacleantech.ca or in writing to Delta CleanTech Inc, #002 – 2305 Victoria Avenue, Regina, SK, S4P 0S7.

The Corporation’s most recent annual financial information is provided in the Corporation’s comparative AAFS and AMDA for the year-ending December 31, 2023.

BOARD APPROVAL

The contents and sending of this circular have been approved by the Board of the Corporation.

“Wayne Bernakevitch”

Wayne Bernakevitch
Chairman

The Audit Committee (the “**Committee**”) is a committee of the Board of Directors (the “**Board**”), of Delta CleanTech Inc. and its subsidiaries, (the “**Corporation**”), designed to assist the Board in monitoring (1) the integrity of the financial statements of the Corporation; (2) the adequacy of the Corporation’s internal controls; (3) the independence and performance of the Corporation’s external auditor; and (4) conflict of interest transactions.

I. ROLES AND RESPONSIBILITIES

- A. **Maintenance of Charter.** The Committee shall review and reassess the adequacy of this formal written Charter on at least an annual basis.
- B. **Financial Reporting.** The Committee shall review and make recommendations to the Board regarding the adequacy of the Corporation’s financial statements and compliance of such statements with financial standards. In particular, and without limiting such responsibilities, the Committee shall:

With respect to the Annual Audited Financial Statements:

- Review and discuss with management and with the Corporation’s external auditor the Corporation’s audited financial statements, management discussion and analysis (“**MD&A**”) and news releases regarding annual financial results before the Corporation publicly discloses this information.
- Review an analysis prepared by management and the external auditor of significant financial reporting issues and judgments made in connection with the preparation of the Corporation’s audited financial statements.
- Discuss with the external auditor the matters required to be discussed by National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (as may be modified or supplemented) (“**NI 52-107**”) relating to the conduct of the audit.
- Based on the foregoing, indicate to the Board whether the Committee recommends that the audited financial statements be included in the Corporation’s Annual Report, which includes the MD&A.

With respect to Interim Unaudited Financial Statements:

- Review and discuss with management and the external auditor the Corporation’s interim unaudited financial statements, MD&A and news releases regarding interim financial results before the Corporation publicly discloses this information. The review may be conducted through a designated representative member of the Committee who shall inform the Committee of any approvals granted at the next scheduled meeting.
- Discuss with the external auditor the matters required to be discussed by NI 52-107.
- Approve interim unaudited financial statements and interim MD&A on behalf of the Board, if so delegated, provided that such approval is subsequently reported to the Board at its next meeting.

Generally:

- Be satisfied that adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements and annually assess the adequacy of those procedures.
- C. **Internal Controls.** The Committee shall evaluate and report to the Board regarding the adequacy of the Corporation’s financial controls. In particular, the Committee shall:
- Ensure that the external auditor is aware that the Committee is to be informed of all control problems identified.
 - Ensure that the external auditor is in good standing with the Canadian Public Accountability Board (CPAB) and enquire if there are any sanctions imposed by the CPAB on the external auditor.
 - Review with the Corporation’s counsel legal matters that may have a material impact on the financial statements.
 - Review the effectiveness of systems for monitoring compliance with law, regulations and instruments relating to financial reporting.
 - Receive periodic updates from management, legal counsel, and the external auditor concerning financial compliance.
 - Establish procedures of the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters.
 - Establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- D. **Relationship with External Auditor.** The Committee shall:
- Interview, evaluate and make recommendations to the Board with respect to the nomination and retention of or replacement of the external auditor.
 - Ensure receipt from external auditor of a formal written statement delineating all relationships between the external auditor and the Corporation.
 - Actively engage in a dialogue with the external auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the external auditor.
 - Take, or recommend that the Board take, appropriate action to oversee the independence of the external auditor.

- Review and recommend for approval by the Board the compensation to be paid to the external auditor.
- Oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation.
- Review and resolve disagreements between management and the external auditor regarding financial reporting.
- Pre-approve all non-audit services to be provided to the Corporation by the external auditor in accordance with subsection 2.3(4) and sections, 2.4 and 2.6 of National Instrument 52-110 *Audit Committees* ("NI 52-110").
- Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.
- Notwithstanding the foregoing, the external auditor shall be ultimately accountable to the Board and the Committee, as representatives of Shareholders and the external auditor shall report directly to the Committee. The Board, upon recommendation from the Committee, shall have ultimate authority and responsibility to select, evaluate and, where appropriate, replace the external auditor (or to nominate the external auditor to be proposed for shareholder approval in any information circular).

E. Conflict-of-Interest Transactions.

The Committee shall:

- Review potential conflict of interest situations including transactions between the Corporation and its officers, directors, and significant shareholders not in their capacities as such.
- Make recommendations to the Board regarding the disposition of conflict-of-interest transactions in accordance with applicable law.

II. MEMBERSHIP REQUIREMENTS

- The Committee shall consist of at least three directors chosen by the Board.
- Subject to the provisions of this Section II, a majority of the members of the Committee shall not be executive officers, employees, or control persons of the Corporation or of an affiliate of the Corporation.
- If a circumstance arises that affects the business or operations of the Corporation, and the Committee reasonably concludes that the circumstance can be best addressed by a member of the Committee becoming an executive officer or employee of the Corporation, then the member so appointed, may serve in that position until the later of the next annual meeting of the Corporation or the date that is six months after the date on which the circumstance arose.
- If a member becomes a control person of the Corporation or of an affiliate of the Corporation, for reasons outside the member's reasonable control, that member may serve on the Committee until the later of the next annual meeting of the Corporation or the date that is six months after the event which caused the member to become a control person.
- If a vacancy on the Committee arises as a result of the death, incapacity or resignation of a member and the Board is required to fill the vacancy, then the Board may fill such vacancy, regardless of the fact that such appointed individual is an executive officer, employee or control person of the Corporation or of an affiliate of the Corporation, and such member may serve as a member of the Committee, until the later of the next annual meeting of the Corporation or the date that is six months from the day the vacancy was created.
- At least one member of the Committee shall be able to read and understand a set of financial statements, including the Corporation's balance sheet, income statement, and cash flow statement, or will become able to do so within a reasonable period of time after his or her appointment to the Committee.
- At least one member of the Committee shall have past employment experience in finance of accounting, requisite professional certification in accounting, of comparable experience of background (such as a position as a chief executive officer, chief financial officer, or other senior officer with financial oversight responsibilities), which results in financial sophistication, recognized financial or accounting expertise.
- The Board shall ensure, as far as possible, that at least one independent director serves on the Committee.

III. STRUCTURE AND POWERS

- The Committee shall appoint one of its members to act as a chairperson, either generally or with respect to each meeting.
- The Committee chairperson shall review and approve an agenda in advance of each meeting.
- The Committee shall meet at least annually or more frequently as circumstances dictate.
- The Committee shall have the authority to engage independent legal counsel and other advisors as it determines necessary to carry out its duties, and to set and pay the compensation for any advisors employed by the Committee.
- The Committee shall have the authority to communicate directly with the internal and external auditors.
- The Committee may request any officer or employee of the Corporation or the Corporation's outside counsel or external auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
- The Committee shall possess the power to conduct any investigation appropriate to fulfilling its responsibilities.
- The Committee may delegate to one or more independent members the authority to pre-approve non-audit services in satisfaction of the requirements in subsection 2.3(4) of NI 52-110, and such pre-approval must be presented to the Committee at its first scheduled meeting following such pre-approval.
- While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the external auditor. Nor is it the duty of the Committee

to conduct investigations or to ensure compliance with laws and regulations and the Corporation's Corporate Governance Policies and Practices.

IV. MEETINGS

- The quorum for a meeting of the Committee is a majority of the members of the Committee.
- The members of the Committee must elect a chair from among their number and may determine their own procedures.
- The Committee may establish its own agenda that it will provide to the Board in advance.
- The external auditor is entitled to receive reasonable notice of every meeting of the Committee and to attend and be heard thereat.
- A member of the Committee or the external auditor may call a meeting of the Committee.
- The Committee may hold meetings by telephone conference call where each member can hear the other members or pass matters that would otherwise be approved at a meeting by all members signing consent resolutions in lieu of holding a meeting.
- The Committee will meet with the President and with the Chief Financial Officer of the Corporation, at least annually to review the financial affairs of the Corporation.
- The Committee will meet with the external auditor of the Corporation at least annually, at such time as it deems appropriate, to review the external auditor's examination and report.
- The chair of the Committee must convene a meeting of the Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board or the Shareholders.
- The Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board's meeting at which those recommendations are presented.
- The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meeting of the Board.

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions

For the purposes of this Plan, the following terms have the following meanings:

- 1.1.1 “**Applicable Laws**” means, at any time, with respect to any Person, property, transaction or event, all applicable laws, statutes, regulations, treaties, judgments and decrees and (whether or not having the force of law) all applicable official directives, rules, consents, approvals, by-laws, permits, authorizations and orders of any Governmental Authority having authority over that Person, property, transaction or event.
- 1.1.2 “**Blackout Period**” means the period during which designated Persons cannot trade Shares pursuant to the Corporation’s policy, if any, respecting restrictions on trading which is in effect at that time.
- 1.1.3 “**Board**” means the board of directors of the Corporation.
- 1.1.4 “**Business Day**” means any day excluding a Saturday, Sunday or statutory holiday in the Province of Alberta.
- 1.1.5 “**Change of Control Transaction**” means:
- 1.1.5.1 the acquisition of a sufficient number of voting securities in the capital of the Corporation so that the acquiror, together with Persons acting jointly or in concert with the acquiror, becomes entitled, directly or indirectly, to exercise more than 50% of the voting rights attaching to the outstanding voting securities in the capital of the Corporation (provided that, prior to the acquisition, the acquiror was not entitled to exercise more than 50% of the voting rights attaching to the outstanding voting securities in the capital of the Corporation);
- 1.1.5.2 the completion of a consolidation, merger, arrangement or amalgamation of the Corporation with or into any other entity whereby the voting securityholders of the Corporation immediately prior to the consolidation, merger, arrangement or amalgamation receive less than 50% of the voting rights attaching to the outstanding voting securities of the consolidated, merged, arranged or amalgamated entity; or
- 1.1.5.3 the completion of a sale whereby all or substantially all of the Corporation’s undertakings and assets become the property of any other entity and the voting securityholders of the Corporation immediately prior to the sale hold less than 50% of the voting rights attaching to the outstanding voting securities of that other entity immediately following that sale.
- 1.1.6 “**Code**” means the United States Internal Revenue Code of 1986, as amended.
- 1.1.7 “**Consultant**” means a natural Person, other than an Employee or Executive of the Corporation or of a Related Entity of the Corporation, that:
- 1.1.7.1 is engaged to provide *bona fide* services to the Corporation or to a Related Entity, other than services provided in relation to a distribution or in connection with the offer or sale of securities in a capital-raising transaction, and does not directly or indirectly promote or maintain a market for the Corporation’s securities,
- 1.1.7.2 provides the services under a written contract with the Corporation or a Related Entity of the Corporation, and
- 1.1.7.3 spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or a Related Entity of the Corporation.
- 1.1.8 “**Corporation**” means Delta CleanTech Inc.
- 1.1.9 “**Disability**” means a physical or mental incapacity or disability that prevents the Eligible Person from performing the essential duties of the Eligible Person’s employment or service with the Corporation or any Subsidiary, and that cannot be accommodated under applicable human rights laws without imposing undue hardship on the Corporation or the Subsidiary employing or engaging the Eligible Person, as determined by the Board for the purposes of this Plan.

- 1.1.10 “**Early Expiry Date**” is defined in Section 4.10.1.3.
- 1.1.11 “**Eligible Person**” means any Employee, Executive or Consultant.
- 1.1.12 “**Employee**” means:
- 1.1.12.1 an individual who is considered an employee of the Corporation or any Subsidiary under the *Income Tax Act* (Canada) (and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source);
- 1.1.12.2 an individual who works full-time for the Corporation or any Subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the relevant Subsidiary over the details and methods of work as an employee of the Corporation or the relevant Subsidiary, but for whom income tax deductions are not made at source; or
- 1.1.12.3 an individual who works for the Corporation or any Subsidiary on a continuing and regular basis for at least 20 hours per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the relevant Subsidiary over the details and methods of work as an employee of the Corporation or the relevant Subsidiary, but for whom income tax deductions are not made at source.
- 1.1.13 “**Exchange**” means the stock exchange upon which the Corporation’s Shares principally trade.
- 1.1.14 “**Executive**” means an individual who is a director or officer of the Corporation or a Subsidiary.
- 1.1.15 “**Governmental Authority**” means:
- 1.1.15.1 any federal, provincial, state, local, municipal, regional, territorial, aboriginal or other government, any governmental or public department, branch or ministry, or any court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory, or taxing authority or power of any nature; and
- 1.1.15.2 any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them.
- 1.1.16 “**Grant Date**” means, for any Option, the date on which that Option is granted.
- 1.1.17 “**Insider**” means “Insider” as defined in the Securities Act.
- 1.1.18 “**Investor Relations Activities**” means “Investor Relations Activities” as defined in the Canadian Securities Exchange policies (as amended at any time).
- 1.1.19 “**Investor Relations Participant**” means a Consultant that performs Investor Relations Activities or an Employee or director whose roles and duties primarily consist of Investor Relations Activities.
- 1.1.20 “**Option**” means an option to purchase Shares granted to an Eligible Person under the terms of this Plan.
- 1.1.21 “**Option Agreement**” means an option agreement substantially in the form attached as Exhibit “A” to this Plan.
- 1.1.22 “**Option Exercise Price**” is defined in Section 4.3.
- 1.1.23 “**Option Expiry Date**” is defined in Section 4.4.
- 1.1.24 “**Participant**” means an Eligible Person to whom an Option has been granted.
- 1.1.25 “**Person**” will be broadly interpreted and includes:
- 1.1.25.1 a natural person, whether acting in their own capacity, or in their capacity as executor, administrator, estate trustee, trustee or personal or legal representative, and the heirs, executors, administrators, estate trustees, trustees or other personal or legal representatives of a natural person;
- 1.1.25.2 a corporation or a company of any kind, a partnership of any kind, a sole proprietorship, a trust, a joint venture, an association, an unincorporated association, an unincorporated syndicate, an unincorporated organization or any other association, organization or entity of any kind; and
- 1.1.25.3 a Governmental Authority.

- 1.1.26 “**Plan**” means this stock option plan of the Corporation.
- 1.1.27 “**Related Entity**” means a Person that controls or is controlled by the Corporation or that is controlled by the same Person that controls the Corporation, if any;
- 1.1.28 “**Related Person**” means: (i) a director or executive officer of the Corporation or of a Related Entity of the Corporation; (ii) an associate of a director or executive officer of the Corporation or of a Related Entity of the Corporation; or (iii) a permitted assign of a director or executive officer of the Corporation or of a Related Entity of the Corporation.
- 1.1.29 “**Remittance Amount**” is defined in Section 4.9.1.1.
- 1.1.30 “**Restricted Person**” is defined in Section **Error! Reference source not found.**
- 1.1.31 “**Retirement**” means retirement from active employment or service with the Corporation or a Subsidiary:
- 1.1.31.1 at or after age 65; or
- 1.1.31.2 with the consent of any officer of the Corporation as may be designated for the purposes of this Plan by the Board, at or after any earlier age and on the completion of any number of years of service as the Board may specify.
- 1.1.32 “**Section 409A**” means section 409A of the Code and applicable guidance issued thereunder.
- 1.1.33 “**Securities Act**” means the *Securities Act* (Alberta), as from time to time amended.
- 1.1.34 “**Security Based Compensation Arrangements**” means any incentive plan or compensation mechanism of the Corporation (other than this Plan) that involves the issuance or potential issuance of the securities of the Corporation, which for greater certainty, includes the Corporation’s restricted share unit plan and performance share unit plan.
- 1.1.35 “**Shares**” means common shares in the capital of the Corporation.
- 1.1.36 “**Subsidiary**” means a body corporate that is controlled by the Corporation and, for the purposes of this definition, a body corporate will be deemed to be controlled by the Corporation if the Corporation, directly or indirectly, has the power to direct the management and policies of the body corporate by virtue of ownership of, or direction over, voting securities in the body corporate.
- 1.1.37 “**Termination Date**” means:
- 1.1.37.1 in the case of a Participant who dies, the date of death; and
- 1.1.37.2 in all other cases, the date designated by the Corporation or a Subsidiary, in written notice to a Participant, as the day on which that Participant’s employment with or provision of services to the Corporation or the Subsidiary (as the case may be) ceases for any reason whatsoever (whether or not that cessation of employment or service is lawful, but provided that, in the case of a voluntary resignation or voluntary termination by that Participant, the Termination Date may not be earlier than the date notice of that voluntary resignation or termination was first given by that Participant); and “Termination Date” specifically does not mean the date on which any period of notice, which the Corporation or that Subsidiary may be required to provide to (or that may be claimed by) that Participant, expires. For greater clarity, the Termination Date will be determined without regard to any applicable notice of termination, severance or termination pay, compensation or indemnity in lieu of notice, wrongful or constructive dismissal damages, damages for the failure to provide reasonable notice, period of salary continuation or of deemed employment or of deemed service, or any claim whatsoever by the Participant to any of the foregoing (whether express or implied and whether arising under contract or statute or otherwise at law in any manner).
- 1.1.38 “**United States**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.
- 1.1.39 “**U.S. Participant**” shall mean any Participant who is a “U.S. person” (as defined in Rule 902(k) of Regulation S under the U.S. Securities Act) or who is holding or exercising Options in the United States.
- 1.1.40 “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended and the rules and regulations promulgated thereunder.
- 1.1.41 “**U.S. Taxpayer**” means a Participant who is a citizen of the United States or a permanent resident of the United States, in each case as defined in section 7701(a)(30) and section 7701(b)(1) of the Code, and such other Participants to the extent their Options awarded under the Plan are subject to United States federal income tax under the Code.

1.2 Certain Rules of Interpretation

1.2.1 In this Plan, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the words “**including**” or “**includes**” in this Plan is to be construed as meaning “including, without limitation” or “includes, without limitation”, respectively.

1.2.2 The division of this Plan into Articles and Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Plan.

1.2.3 References in this Plan to an Article, Section or Exhibit are to be construed as references to an Article, Section or Exhibit of or to this Plan unless otherwise specified.

1.2.4 Unless otherwise specified in this Plan, time periods within which or following which any calculation or payment is to be made, or action is to be taken, will be calculated by excluding the day on which the period begins and including the day on which the period ends. If the last day of a time period is not a Business Day, the time period will end on the next Business Day. Unless otherwise determined by the Board, if an Option would, under the terms of this Plan or the Option Agreement, otherwise expire or terminate on a day that is not a Business Day, the Option will expire or terminate on the next Business Day.

1.2.5 Unless otherwise specified, any reference in this Plan to any statute, rule or policy includes all regulations and subordinate legislation made under or in connection with that statute at any time, and is to be construed as a reference to that statute, rule or policy as amended, modified, restated, supplemented, extended, re-enacted, replaced or superseded at any time.

1.3 Governing Law

This Plan and each Option Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Alberta and the laws of Canada applicable in that Province without giving effect to the conflicts of laws principles thereof and without reference to the laws of any other jurisdiction. The Corporation and each Participant hereby attorn to the jurisdiction of the Courts of Alberta.

ARTICLE 2 ESTABLISHMENT OF PLAN

2.1 Purpose

2.1.1 The Corporation establishes this Plan to govern the grant, administration and exercise of Options which may be granted to Eligible Persons.

2.1.2 The principal purposes of this Plan are to provide the Corporation with the advantages of the incentive inherent in equity ownership on the part of Eligible Persons who are responsible for the continued success of the Corporation; to create in those Eligible Persons a proprietary interest in, and a greater concern for, the welfare and success of the Corporation; to encourage Eligible Persons to remain with the Corporation and any Subsidiaries; and to attract new Employees, Executives and Consultants.

2.1.3 This Plan is expected to benefit shareholders by enabling the Corporation to attract and retain personnel of the highest calibre by offering them an opportunity to share in any increase in value of the Shares resulting from their efforts.

2.2 Shares Reserved and Plan Limits

2.2.1 The number of Shares that may be reserved for issuance under this Plan and under any other Security Based Compensation Arrangements will not exceed, in the aggregate, 20% of the outstanding Shares (on a non-diluted basis) on each Grant Date.

2.2.2 The Corporation will at all times during the term of this Plan reserve and keep available the number of Shares necessary to satisfy the requirements of this Plan.

2.3 Limits on Certain Grants

2.3.1 An Option may only be granted to a Consultant under this Plan if the number of Shares reserved for issuance under that Option, when combined with the number of Shares reserved for issuance under all Options granted within the one-year period before the Grant Date by the Corporation to Consultants, does not exceed, in aggregate, 2% of the outstanding Shares on the Grant Date.

2.3.2 An Option may only be granted to Employees, Executives or Consultants not engaged in Investor Relations Activities under this Plan if the number of Shares reserved for issuance under that Option, when combined with the number of Shares reserved for issuance under all Options granted within the one-year period before the Grant Date by the Corporation to Investor Relations Participants, does not exceed, in aggregate, 1% of the outstanding Shares on the Grant Date.

2.3.3 The total number of Options that may be reserved for issuance and granted to Related Persons (as a group) under this Plan and all other Security Based Compensation Arrangements, in aggregate, will not exceed, at any time, or within any 12-month period, 10% of the issued and outstanding Shares, on a fully diluted basis, as at the date of grant of any Options under this Plan.

2.3.4 The total number of Options that may be reserved for issuance and granted to any Person under this Plan and all other Security Based Compensation Arrangements, in aggregate, will not exceed at any time, or within a 12-month period, 5% of the issued and outstanding Shares, on a fully diluted basis, as at the date of grant of any Options under this Plan.

2.3.5 For the purposes of calculating the limits in this Section 2.3 the number of Shares reserved for issuance under an Option means the number of Shares that were originally reserved for issuance upon the date of grant of the Option (except for the purposes of calculating the limit in Section 2.3.3 and 2.3.4, in which case the number of Shares reserved for issuance means the number of Shares reserved for issuance at the time of the calculation).

2.4 Exercised Options

Any number of Shares that have been issued on the exercise of an Option will again be available for grants under this Plan, and will be considered to be part of the pool of Shares available for Options under this Plan.

2.5 Expired or Terminated Options

If and to the extent any Option granted under this Plan expires or is terminated without having been exercised in whole or in part, the number of Shares then subject to that Option will be considered to be part of the pool of Shares available for Options under this Plan.

2.6 Non-Exclusivity

Nothing contained in this Plan will prevent the Board from adopting other or additional incentive compensation arrangements, whether Securities Based Compensation Arrangements or otherwise.

2.7 Effective Date

This Plan will be effective as of February 13, 2021

ARTICLE 3 ADMINISTRATION OF PLAN

3.1 Administration of the Plan

3.1.1 Subject to the provisions of this Plan, Applicable Laws, and the applicable rules and policies of the Exchange (or any other stock exchange or market on which the Shares are listed), the Board, will have full power and authority to:

- 3.1.1.1 administer this Plan in accordance with its express terms;
- 3.1.1.2 determine all questions arising in connection with the administration, interpretation, and application of this Plan;
- 3.1.1.3 prescribe, amend, and rescind rules and regulations relating to the administration of this Plan; and
- 3.1.1.4 make all other determinations necessary or advisable for the administration of this Plan.

All determinations made in good faith on the matters referred to in this Section 3.1 will be final, conclusive, and binding on the Corporation and the relevant Participant.

3.1.2 Subject to Applicable Laws, and the applicable rules and policies of the Exchange (or any other stock exchange or market on which the Shares are listed), the Board may, by resolution, at any time:

- 3.1.2.1 delegate any of its powers, rights and obligations under Section 3.1 to any committee of the Board; and
- 3.1.2.2 amend or rescind the delegation of any of its rights, powers and obligations effected under Section 3.1.2.1.

3.2 Record Keeping

The Corporation will maintain a register in which will be recorded:

- 3.2.1 with respect to each Option granted to a Participant:
 - 3.2.1.1 the name and address of the Participant;

- 3.2.1.2 the Grant Date;
- 3.2.1.3 the number of Shares issuable under the Option as of the Grant Date;
- 3.2.1.4 the Option Exercise Price;
- 3.2.1.5 any vesting conditions;
- 3.2.1.6 the number of Shares issued under the Option (and the dates of issuance); and
- 3.2.1.7 the Option Expiry Date; and

3.2.2 the aggregate number of Shares subject to Options.

3.3 Adjustments to Options

3.3.1 If any material change in the outstanding Shares occurs by reason of any stock dividend, split, recapitalization, amalgamation, merger, consolidation, combination or exchange of Shares or other similar corporate change, the Board may make any proportionate adjustments to this Plan and any outstanding Options that the Board deems equitable and appropriate to reflect that change. Any adjustment under this Section 3.3.1 will be made in the sole discretion of the Board, and will be conclusive and binding for all purposes of this Plan.

3.3.2 No fractional Shares will be issued on the exercise of an Option. If, as a result of any adjustment as provided in this Section 3.3, a Participant would be entitled to a fractional Share, the Participant will have the right to purchase only the number of full Shares that is calculated under that adjustment, and no payment or other adjustment will be made with respect to that fractional Share.

3.4 Termination of the Plan

The Board may terminate this Plan at any time in its absolute discretion (without shareholder approval). If this Plan is terminated, no further Options will be granted but the Options then outstanding will continue in full force and effect in accordance with the provisions of this Plan, until the time they are exercised or terminated or expire under the terms of this Plan and the applicable Option Agreements.

3.5 General

The existence of any Option will not affect, in any way, the right or power of the Corporation to:

- 3.5.1 make or authorize any recapitalization, reorganization or other change in the Corporation's capital structure or business;
- 3.5.2 participate in any amalgamation, combination, merger or consolidation;
- 3.5.3 create or issue any securities or change the rights and conditions attaching to any of its securities;
- 3.5.4 effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business; or
- 3.5.5 effect any other corporate act or proceeding, whether of similar character or otherwise.

3.6 Compliance with Applicable Laws

3.6.1 This Plan, the grant and exercise of Options, the Corporation's obligation to issue Shares on the exercise of Options, and all other actions taken under this Plan will be subject to Applicable Laws, to the applicable rules and policies of the Exchange (or any other stock exchange or market on which the Shares are listed) and to any approvals by any Governmental Authority that, in the opinion of counsel to the Corporation, are necessary or advisable.

3.6.2 No Option will be granted and no Shares issued under this Plan if that grant or issue would require registration of this Plan or of Shares under the securities laws of any foreign jurisdiction. The Board shall not grant Options to residents of the United States unless such Options and the Shares issuable upon exercise thereof are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act. Any purported grant of any Option or issue of Shares under this Plan in violation of this Section 3.6.2 will be void.

3.6.3 Shares issued to Participants pursuant to the exercise of Options may be subject to limitations on sale or resale under Applicable Laws.

ARTICLE 4
TERMS OF OPTIONS

4.1 Grants

4.1.1 Subject to the provisions of this Plan, the Board will have the authority to grant Options to Eligible Persons, and to determine the terms and conditions applicable to the exercise of those Options, including, for each Option:

4.1.1.1 the number of Shares issuable under the Option;

4.1.1.2 the Option Exercise Price;

4.1.1.3 the Option Expiry Date;

4.1.1.4 the vesting conditions, if any;

4.1.1.5 the nature and duration of the restrictions, if any, to be imposed on the sale or other disposition of Shares acquired on the exercise of the Option; and

4.1.1.6 the events, if any, that could give rise to a termination or expiry of the Participant's rights under the Option, and the period in which such a termination or expiry can occur.

4.1.2 Each Option must be confirmed by an Option Agreement executed by the Corporation and by the Participant to whom that Option is granted. Subject to specific variations approved by the Board in respect of any Option, those variations not to be inconsistent with the provisions of this Plan, all terms and conditions set out in this Plan will be incorporated by reference into and form part of each Option Agreement.

4.1.3 If an Option is to be granted to an Employee or a Consultant, the Corporation and the Person to whom that Option is proposed to be granted are responsible for ensuring and confirming that the Person is a bona fide Employee or Consultant.

4.2 Multiple Grants

An Eligible Person may be granted Options on more than one occasion under this Plan and be granted separate Options on any one occasion.

4.3 Option Exercise Price

The Board will set the option exercise price (the "**Option Exercise Price**") in respect of each Share issuable under an Option granted to a Participant. The Option Exercise Price will not be less than the fair market value of a Share on the Grant Date and, if the Shares are listed on the Exchange, will be subject to the minimum Option Exercise Price permitted by the Exchange provided that for U.S. Participants, regardless of the minimum Exercise Price permitted by the Exchange, the Option Exercise Price will not be less than the fair market value of a Share on the Grant Date. For the purposes of this Section 4.3, "**fair market value**" means:

4.3.1 if the Shares are listed on the Exchange, the last closing price of the Shares on the Exchange before the grant of the Option;

4.3.2 if the Shares are not then listed on the Exchange, but are listed on another stock exchange or market, the last closing price of the Shares on the stock exchange or market before the grant of the Option; or

4.3.3 if Sections 4.3.1 and 4.3.2 do not apply, the value of a Share determined by the Board, taking into account any considerations that it determines to be appropriate at the relevant time, and with respect to Options awarded to U.S. Participants, using valuation principles in accordance with Section 409A.

4.4 Option Expiry Date

4.4.1 The Board will, on the Grant Date, set the option expiry date (the "**Option Expiry Date**") of each Option granted to a Participant. The Option Expiry Date set under this Section 4.4 will be no later than ten years after the Grant Date, and will be subject to earlier expiry in accordance with Section 4.10 and Section 4.11, and later expiry in accordance with Section 4.7.

4.5 Vesting of Options

4.5.1 Subject to Section 4.5.3, and unless accelerated by the Board under Section 4.5.2 or Section 4.11 or otherwise specified in the relevant Option Agreement, an Option will vest and become exercisable as to 1/3 of the Shares issuable under the Option on each of the following dates:

4.5.1.1 the Grant Date;

4.5.1.2 the first anniversary of the Grant Date; and

4.5.1.3 the second anniversary of the Grant Date.

4.5.2 Subject to Section 4.5.3, the Board may, at any time, accelerate the date on which any Option will vest and become exercisable.

4.5.3 An Option granted to an Investor Relations Participant will vest over a period of not less than 12 months from the Grant Date, and as to no more than 1/4 of the Shares issuable under the Option in any three-month period.

4.6 Exercise of Options

4.6.1 An Option will be exercisable until 5:00 p.m. (PST time) on the Option Expiry Date, but only to the extent that it has vested and has not expired or been terminated.

4.6.2 Subject to the provisions of this Plan and the related Option Agreement, an Option may be exercised, in whole or in part, at any time by delivery to the Corporation of a written notice of exercise, substantially in the form of Schedule "A" to Exhibit "A" to this Plan, specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full of the Option Exercise Price of the Shares to be purchased. Payment of the Option Exercise Price must be made by cash, bank draft or certified cheque.

4.7 Blackout Periods

No Option may be exercised during a Blackout Period, if the Participant is then restricted from trading in Shares pursuant to any policy of the Corporation or Applicable Laws. If an Option Expiry Date set under Section 4.4 falls on a date within a Blackout Period or within nine Business Days following the expiration of a Blackout Period, the expiry date for that Option will be automatically extended, without any further act or formality, to that date that is the tenth Business Day after the end of the Blackout Period. This Section 4.7 will not extend any termination or expiry date determined under Section 4.10 or 4.11.

4.8 Amendments to Plan or Options

The Board may amend this Plan or any Option at any time, subject to the requirements of the Exchange (or any other stock exchange or market on which the Shares are listed), including any shareholder approval requirements, provided that:

4.8.1 if an amendment materially impairs an Option or is materially adverse to its holder, the amendment will not take effect in respect of that Option until the consent of the Participant holding the Option has been obtained; and

4.8.2 any reduction in the Option Exercise Price for an Option held by an Insider is subject to the receipt of disinterested shareholder approval.

4.9 Withholding of Tax

4.9.1 The Corporation and any Subsidiary may take reasonable steps for the withholding of any taxes or other source deductions that it is required by Applicable Laws or the requirements of any Governmental Authority to remit in connection with this Plan, any Option or any issuance of Shares upon the exercise of an Option, including:

4.9.1.1 deducting and withholding the amount required to be remitted (the "**Remittance Amount**") from any cash remuneration or any other amount payable to a Participant, whether or not related to the Plan, the exercise of any Options or the issue of any Shares;

4.9.1.2 permitting the Participant to make a cash payment to the Corporation equal to the Remittance Amount; or

4.9.1.3 selling, or causing a broker engaged by the Corporation to sell, on behalf of any Participant, that number of Shares issued to the Participant pursuant to an exercise of Options, such that the amount received by the Corporation or Subsidiary from the proceeds of the sale will be sufficient to satisfy the obligation to remit the Remittance Amount (and to fund any commissions payable to the broker and other costs and expenses of the transaction).

4.9.2 Any Shares of a Participant that are sold by the Corporation, or by a broker engaged by the Corporation, to fund a Remittance Amount will be sold as soon as practicable, and, if applicable, in transactions effected on the Exchange on which the Shares are then listed for trading. In effecting the sale of any Shares, the Corporation or the broker will exercise its sole judgment as to the timing and manner of sale and will not be obligated to seek or obtain a minimum price. Neither the Corporation nor the broker will be liable for any loss arising out of any sale of Shares, including any loss relating to the manner or timing of any sale, the prices at which the Shares are sold, or otherwise. In addition, neither the Corporation nor the broker will be liable for any loss arising from a delay in the issuance or sale of any Shares to a Participant. The sale price of Shares sold on behalf of Participants will fluctuate with the market price of the Shares and no assurance can be given that any particular price will be received upon any sale.

4.10 Termination of Employment or Service

4.10.1 Unless otherwise determined by the Board under Section 4.11 or otherwise specified in the relevant Option Agreement:

4.10.1.1 a Participant immediately ceases to be eligible to receive further grants of Options under this Plan as of the Termination Date or any earlier date determined under Section 4.10.5;

4.10.1.2 any unvested portion of any Option held by a Participant will immediately expire as of the Termination Date; and

4.10.1.3 any vested portion of any Option held by a Participant will expire on the earlier of the Option Expiry Date set by the Board under Section 4.4 (without including any extended expiry terms determined under Section 4.7) and:

4.10.1.3.1 in the case of termination of employment by the Corporation or a Subsidiary without cause, or the failure of a director of the Corporation standing for election to be re-elected, or the failure by the Corporation or a Subsidiary to renew a contract for services at the end of its term, the date that is 90 days after the Termination Date (whether or not that termination, non-re-election or non-renewal is lawful and whether or not it occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation or damages in lieu of that notice);

4.10.1.3.2 in the case of the death of the Participant, the date that is one year after the death;

4.10.1.3.3 in the case of the Disability or Retirement of the Participant, the date that is one year after the Termination Date; and

4.10.1.3.4 in all other cases, the Termination Date,

(the date determined under Sections 4.10.1.3.1 to 4.10.1.3.4, the “**Early Expiry Date**”). For greater clarity, the Early Expiry Date will be determined without regard to any applicable notice of termination, severance or termination pay, compensation or indemnity in lieu of notice, wrongful or constructive dismissal damages, damages for the failure to provide reasonable notice, period of salary continuation or of deemed employment or of deemed service, or any claim whatsoever by the Participant to any of the foregoing (whether express or implied and whether arising under contract or statute or otherwise at law in any manner).

4.10.2 Unless otherwise determined by the Board, Options will not be affected by any change of employment or provision of services within or among the Corporation or any Subsidiaries, so long as the Participant continues to be an Eligible Person.

4.10.3 The Early Expiry Date will be determined based on the first of the events described in Sections 4.10.1.3.1 to 4.10.1.3.4 to occur.

4.10.4 Options granted under this Plan are not part of a Participant’s regular employment or consulting compensation.

4.10.5 Unless otherwise determined by the Board, a Participant immediately ceases to be eligible to receive further grants of Options under this Plan effective as of the date that the Corporation or a Subsidiary first provides written notice to the Participant that their employment or service will terminate for any reason whatsoever, even if that written notice is delivered prior to the Termination Date (whether or not that termination is lawful and whether or not it occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation or damages in lieu of that notice); provided that, in the case of termination due to the voluntary resignation or voluntary termination by the Participant, that written notice may not be delivered earlier than the date notice of that voluntary resignation or termination was first given by that Participant.

4.10.6 No value will be attributed to any Options, or any potential grant of Options, as part of any calculation of a Participant’s notice of termination, severance or termination pay, compensation or indemnity in lieu of notice, wrongful or constructive dismissal damages, damages for the failure to provide reasonable notice, or any claim whatsoever by the Participant to any of the foregoing (whether express or implied and whether arising under contract or statute or otherwise at law in any manner).

4.11 Change of Control

4.11.1 Despite any other provision of this Plan or any Option Agreement, in the event of an actual or potential Change of Control Transaction, the Board has the right, in its sole discretion and on the terms it sees fit, without any action or consent required on the part of any Participant, to deal with any Options (or any portion of any Options) in the manner it deems equitable and appropriate in the circumstances, including the right to:

4.11.1.1 determine that any Options (or any portion of any Options) will remain in full force and effect in accordance with their terms after the Change of Control Transaction;

4.11.1.2 cause any Options (or any portion of any Options) to be converted or exchanged for options to acquire shares of another entity involved in the Change of Control Transaction, having the same value and terms and conditions as the Options;

4.11.1.3 accelerate the vesting of any unvested Options;

4.11.1.4 provide Participants with the right to surrender any Options (or any portion of any Options) for an amount per underlying Share equal to the positive difference, if any, between the fair market value of the Share on the date of surrender and the Option Exercise Price; and

4.11.1.5 accelerate the date by which any Options (or any portion of any Options) must be exercised.

4.11.2 The Corporation will use its best efforts to give the affected Participants written notice of any determination made by the Board under Section 4.11.1 at least 14 days before the effective date of the Change of Control Transaction.

4.12 Transferability

4.12.1 Subject to Section 4.12.2, the Options and all benefits and rights accruing to a Participant in accordance with the terms and conditions of this Plan are not directly or indirectly transferable and cannot be assigned, charged, pledged or hypothecated, or otherwise alienated, by a Participant, whether voluntarily, involuntarily, by operation of law or otherwise.

4.12.2 On a Participant's death, vested Options, benefits and rights may pass by the Participant's will or the laws of descent and distribution to the legal representative of the Participant's estate or any other Person who acquires the Participant's vested Options by bequest or inheritance. No transfer of a vested Option by will or by the laws of descent and distribution will be effective to bind the Corporation until the Corporation has been furnished with any evidence that the Corporation may deem necessary to establish the validity of the transfer and the acceptance by the transferee of the terms and conditions of this Plan and the relevant Option Agreement.

4.13 Compliance with U.S. Securities Laws

Notwithstanding any provisions contained in the Plan to the contrary and to the extent required by applicable U.S. state corporate laws, U.S. federal and state securities laws, the Code, and the applicable laws of any jurisdiction in which Options are granted under the Plan, the terms attached hereto as Exhibit "B" shall apply to all such Options granted to residents of the State of California, until such time as the Board amends this Section 4.13 or Exhibit "B" or the Board otherwise provides.

ARTICLE 5

MISCELLANEOUS PROVISIONS

5.1 No Rights as Shareholder

The holder of an Option will not have any rights as a shareholder of the Corporation with respect to any of the Shares issuable on exercise of that Option until that holder has exercised that Option in accordance with the terms of this Plan and has been issued the Shares.

5.2 No Employment Rights

Nothing in this Plan or any Option will confer on a Participant any right to continue in the employment or service of the Corporation or any Subsidiary or affect in any way the right of the Corporation or any Subsidiary to terminate the Participant's employment or service at any time; nor will anything in this Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Subsidiary to extend the employment or service of any Participant beyond the date on which the Participant's relationship with the Corporation or any Subsidiary would otherwise be terminated due to Retirement or pursuant to the provisions of any employment, consulting or other contract for services with the Corporation or any Subsidiary.

5.3 No Undertaking or Representation

The Participants, by participating in this Plan, will be deemed to have accepted all risks associated with acquiring Shares pursuant to this Plan. Each Participant acknowledges that the Shares are subject to, and may be required to be held indefinitely under, applicable securities laws. The Corporation and the Subsidiaries make no undertaking, representation, warranty or guarantee as to the future value or price, or as to the listing on any stock exchange or other market, of any Shares issued under this Plan, and will not be liable to any Participant for any loss resulting from that Participant's participation in this Plan or as a result of the amendment, suspension or termination of this Plan or any Option in accordance with its terms. The Corporation's exercise of its rights of amendment, suspension or termination of this Plan or any Option in accordance with its terms will not constitute (i) a breach of any Participant's employment, consulting or other contract for services with the Corporation or any Subsidiary, or (ii) grounds for any Participant to claim constructive dismissal or constructive termination.

5.4 Notices

All written notices to be given by a Participant to the Corporation will be delivered personally or by registered mail, postage prepaid, to the registered office address of the Corporation.

Any notice given by a Participant pursuant to the terms of an Option will not be effective until actually received by the Corporation at the above address.

5.5 Further Assurances

Each Participant will, when requested to do so by the Corporation, sign and deliver all documents relating to the granting or exercise of Options deemed necessary or desirable by the Corporation. Each Participant will provide the Corporation with all information (including personal information) that is necessary for the administration of this Plan, and each Participant consents to the collection, use and disclosure of information by the Corporation necessary for the administration of this Plan.

5.6 Submission to Jurisdiction

Without prejudice to the ability of the Corporation or any Participant to enforce this Plan or any Option Agreement in any other proper jurisdiction, the Corporation and each Participant irrevocably and unconditionally submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta to determine all issues, whether at law or in equity, arising from this Plan and each Option Agreement. To the extent permitted by Applicable Laws, the Corporation and each Participant:

5.6.1 irrevocably waives any objection, including any claim of inconvenient forum, that it may now or in the future have to the venue of any legal proceeding arising out of or relating to this Plan or any Option Agreement in the courts of that Province, or that the subject matter of this Plan or any Option Agreement may not be enforced in those courts;

5.6.2 irrevocably agrees not to seek, and waives any right to, judicial review by any court that may be called on to enforce the judgment of the courts referred to in this Section 5.6 of the substantive merits of any suit, action or proceeding; and

5.6.3 to the extent the Corporation or any Participant has or may acquire any immunity from the jurisdiction of any court or from any legal process, whether through service or notice, attachment before judgment, attachment in aid of execution, execution or otherwise, with respect to itself or its property, that Person irrevocably waives that immunity in respect of its obligations under this Plan and any Option Agreement.