



NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

TO BE HELD ON FRIDAY, SEPTEMBER 1, 2023

August 1, 2023

These materials are important and require your immediate attention. They require holders of common shares of Scope Carbon Corp. to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal, tax or other professional advisors.



1000 - 1055 W Hastings Street
Vancouver, BC, V6E 2E9
Telephone: (604) 416 1716

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the 2023 annual general meeting (the “**Meeting**”) of shareholders of Scope Carbon Corp. (the “**Company**”) will be held at 510 West Georgia Street, Suite 1800, Vancouver, BC, V6B 0M3 Canada, on Friday, September 1, 2023, at the hour of 3:00 p.m. (Pacific time) for the following purposes:

1. to receive the audited consolidated financial statements of the Company for the financial year ended September 30, 2022 and the accompanying report of the auditor;
2. to elect James Liang, Alan Tam, Sean Prescott, Michael Zenko and Darien Lattanzi as directors of the Company, to serve until the next annual general meeting of the shareholders or until their successors are elected or appointed;
3. to appoint Mao & Ying LLP as the auditor of the Company and to authorize the directors of the Company to fix the remuneration to be paid to the auditor; and
4. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying management information circular (the “**Information Circular**”) provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The board of directors of the Company has fixed August 1, 2023 (the “**Record Date**”) as the record date for the determination of holders of common shares in the capital of the Company that are entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on the Record Date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company who wishes to vote but are unable to attend the Meeting in person, you must complete, date and sign the accompanying form of proxy and deposit it with the Company’s transfer agent, Endeavor Trust Corporation, 702 - 777 Hornby Street, Vancouver, BC, V6Z 1S4, at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company, please complete and return the materials in accordance with the instructions set forth in the accompanying Information Circular.

DATED at Vancouver, British Columbia, this 1st day of August, 2023.

By Order of the Board of Directors of

SCOPE CARBON CORP.

“James Liang”

James Liang
Chief Executive Officer



1000 - 1055 W Hastings Street
Vancouver, BC, V6E 2E9
Telephone: (604) 416 1716
<http://scopecarboncorp.com/>

MANAGEMENT INFORMATION CIRCULAR

AS AT AND DATED AUGUST 1, 2023
FOR SHAREHOLDER MEETING TO BE HELD FRIDAY, SEPTEMBER 1, 2023

This management information circular (the “**Information Circular**”) accompanies the notice of the annual general meeting (“**Notice of Meeting**”) of holders of common shares (the “**Shareholders**”) of Scope Carbon Corp. (the “**Company**”), scheduled to be held at 3:00 p.m. (Pacific time) on Friday, September 1, 2023 (the “**Meeting**”) at 510 West Georgia Street, Suite 1800, Vancouver, BC V6B 0M3 Canada, and is furnished in connection with a solicitation of proxies for use at that Meeting and at any adjournment or postponement thereof and for the purposes set forth in the Notice of Meeting. Except where otherwise indicated, the information contained herein is stated as of August 1, 2023.

In this Information Circular, references to the “**Company**”, “**we**” and “**our**” refer to Scope Carbon Corp. “**Common Shares**” or “**Shares**” means common shares without par value in the capital of the Company. “**Registered Shareholders**” means shareholders whose names appear on the records of the Company as the registered holders of Common Shares. “**Beneficial Shareholders**” means shareholders who do not hold Common Shares registered in their own name. “**Intermediaries**” means brokers, investment firms, clearing houses or similar entities that own securities on behalf of Beneficial Shareholders.

As a Shareholder of the Company, you have the right to vote your shares on all items that come before the Meeting. You can vote your Shares either by proxy or in person at the Meeting. This Information Circular will provide you with information about these items and how to exercise your right to vote. It will also tell you about the director nominees, the proposed auditor, the compensation of directors and certain officers, our corporate governance practices, executive compensation philosophy and practices and particulars of other matters to be voted on.

As a shareholder, to help you make an informed decision, it is important that you read the material contained in this Information Circular carefully and vote your shares, either by proxy or in person at the Meeting.

Financial information of the Company and its subsidiaries is provided in its consolidated financial statements and management’s discussion and analysis for the year ended September 30, 2022. These and other documents can be found on the website of SEDAR+ (System for Electronic Document Analysis and Retrieval) at <https://sedarplus.ca/>. If you are a Shareholder and you wish to receive the Company’s annual financial statements and/or interim financial statements and the accompanying management’s discussion and analysis, please complete and return the request card included in the Meeting materials.

PERSONS OR COMPANIES MAKING THE SOLICITATION

The form of proxy accompanying this Information Circular is being solicited by management of the Company.

Solicitations will be made by mail and possibly supplemented by telephone, electronic means or other personal contact to be made without special compensation by directors, officers and regular employees of the Company. The Company may reimburse Shareholders’ nominees or agents for the cost incurred in obtaining, from their principals, authorization to execute forms of proxy. It is not anticipated that any solicitation will be made by specially engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

Under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), reporting issuers and others have the option to use the “notice-and-access” method to post proxy-related materials on a website (in addition to the SEDAR website) and send a notice package to Shareholders informing them of the availability of the proxy-related materials on such website instead of having to mail proxy-related materials to registered holders and to beneficial owners.

The Company is not relying on the notice-and-access delivery procedures outlined in NI 54-101 to distribute copies of proxy-related materials in connection with this Meeting. Should the Company elect to use the notice-and-access mechanism in future, it will provide advance notification to Shareholders.

APPOINTMENT OF PROXYHOLDER

Only Registered Shareholders whose names appear on the records of the Company or duly appointed proxyholders are permitted to vote at the Meeting. The purpose of a proxy is to designate a person who will vote the proxy on a shareholder’s behalf in accordance with the instructions given by the shareholder in the proxy. Those Registered Shareholders so desiring may be represented by proxy at the Meeting. The persons named in the form of proxy accompanying this Information Circular are directors, officers or other appointees of the Company (the “**Management Appointees**”). **A Shareholder has the right to appoint a person or company (who need not be a Shareholder of the Company) to attend and act on the Shareholder’s behalf at the Meeting other than the Management Appointees.** To exercise this right, the shareholder must either insert the name of the desired person in the blank space provided in the form of proxy accompanying this Information Circular and strike out the names of the Management Appointees, or submit another proper form of proxy.

How to Vote Your Shares

If you vote by proxy, the persons named in the proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The form of proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

You can choose to vote “For” or “Withhold” with respect to the election of the directors and the appointment of the auditor. If you are a Beneficial Shareholder voting your Shares, please follow the instructions provided in the voting instruction form.

If you return your proxy without specifying how you want to vote your shares, your vote will be counted **FOR** electing the director nominees who are named in this Information Circular and **FOR** appointing Mao & Ying LLP as auditor of the Company.

In respect of a matter for which a choice is not specified in the form of proxy, the persons named in the Proxy will vote the Common Shares represented by your proxy FOR the approval of such matter. Management is not currently aware of any other matters that could come before the Meeting.

VOTING BY NON-REGISTERED SHAREHOLDERS

If you are a non-registered shareholder of the Company and received a copy of the Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of

any of the foregoing that holds your securities on your behalf, please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Company are not Registered Shareholders because the shares they own are not registered in their names. More particularly, a person is not a Registered Shareholder (a “**Non-Registered Holder**”) if they are a Beneficial Shareholder and their Shares are held on behalf of a Non-Registered Holder and registered either: (a) in the name of an Intermediary that a Non-Registered Holder deals with in respect of the Shares, including, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP’s, RRIF’s, RESP’s and similar plans; or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“**CDS**”)) of which the Intermediary is a participant.

In accordance with current securities regulatory policy, the Company has distributed proxy-related materials for the Meeting (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries.

Non-Registered Holders should carefully follow the voting instructions they receive, including those on how and when voting instructions are to be provided, in order to have their Shares voted at the Meeting.

Current securities regulatory policy requires Intermediaries to forward the Meeting Materials to, and to seek voting instructions from, Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries will often use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) typically be given a voting instruction or proxy authorization form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company (such as Broadridge Financial Solutions Inc.), will constitute voting instructions (often called a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one-page pre-printed form. Sometimes, instead of the one-page pre-printed form, the proxy authorization form will consist of a regular printed form of proxy accompanied by a page of instructions which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the proxy form, properly complete and sign the proxy form and return it to the Intermediary or its service company, or otherwise communicate voting instructions to the Intermediary or its service company (by way of telephone or the Internet, for example) in accordance with the instructions of the Intermediary or its service company. **A Non-Registered Holder cannot use a proxy authorization form to vote Shares directly at the Meeting;** or
- (b) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete this form of proxy and **submit it to the Company, c/o Endeavor Trust Corporation, Proxy Department, 702 - 777 Hornby Street, Vancouver, BC, V6Z 1S4, fax number: +1 (604) 559-8908.**

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Shares which they beneficially own.

The Meeting Materials are being sent to both Registered Shareholders and Non-Registered Holders of Shares. If you are a Non-Registered Holder and the Company or its agent has sent the Meeting Materials directly to you as a non-objecting beneficial owner (“**NOBO**”) under NI 54-101, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding shares on your behalf. By choosing to send the Meeting Materials to you indirectly, the Intermediary holding shares on your behalf has assumed

responsibility for (i) delivering the Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Management of the Company does not intend to pay for Intermediaries to forward the Meeting Materials to objecting beneficial owners (“OBOs”) under NI 54-101 and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and in the case of an OBO, the objecting beneficial owner will not receive the Meeting Materials unless the Intermediary holding shares on behalf of the OBO assumes the cost of delivery.

Non-Registered Holders cannot be recognized at the Meeting for purposes of voting their shares in person or by way of depositing a form of proxy. If you are a Non-Registered Holder and wish to vote in person at the Meeting, please see the voting instructions you received or contact your Intermediary well in advance of the Meeting to determine how you can do so.

VOTING BY REGISTERED SHAREHOLDERS

You are a Registered Shareholder if your name appears on a share certificate or a DRS Statement. **If you are not sure whether you are a Registered Shareholder**, please contact Endeavor Trust Corporation by email to admin@endeavortrust.com or by calling toll-free at 1-888-787-0888 for clarification.

If you are a Registered Shareholder, you may vote by proxy whether or not you are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by doing any of the following:

- (a) complete, date and sign the form of proxy and return it to the Company’s transfer agent, Endeavor Trust Corporation (“**Endeavor**”), by fax within North America to 604-559-8908 and outside North America to 1-604-559-8908, or by mail or by hand to 702 - 777 Hornby Street, Vancouver, BC, V6Z 1S4; or
- (b) use the **Internet** through the website of the Company’s transfer agent at www.eproxy.ca. Registered Shareholders must follow the instructions that appear on the screen and refer to the Proxy for their control number and password.

In all cases you should ensure that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the start of the Meeting or the adjournment thereof at which the proxy is to be used. In this case, the deadline is Wednesday, August 30, 2023 at 3:00 pm Pacific Time.

If you wish to attend the Meeting do not complete and return the enclosed proxy because you will vote in the person at the Meeting.

DEPOSIT AND VOTING OF PROXIES

To be effective, the proxy must be dated and signed and, together with the power of attorney or other authority, if any, under which it is signed notarial certified copy of it, deposited either at the office of Endeavor Trust Corporation, Proxy Department, 702 - 777 Hornby Street, Vancouver, BC, V6Z 1S4, or at the Registered Office of the Company at 1800 - 510 West Georgia Street, Vancouver, BC, V6B 0M3, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the start of the Meeting or any adjournment or postponement thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in the Chairman’s sole discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

THE SHARES REPRESENTED BY A PROPERLY EXECUTED AND DEPOSITED PROXY WILL BE VOTED OR WITHHELD FROM VOTING ON EACH MATTER REFERRED TO IN THE NOTICE OF MEETING IN ACCORDANCE WITH THE INSTRUCTIONS GIVEN (PROVIDED SUCH INSTRUCTIONS ARE CERTAIN) ON ANY BALLOT THAT MAY BE CALLED FOR AND, IF A CHOICE IS SPECIFIED WITH RESPECT TO ANY MATTER TO BE ACTED UPON AT THE MEETING, THE SHARES WILL BE VOTED OR WITHHELD FROM VOTING ACCORDINGLY. **WHERE NO CHOICE IS SPECIFIED IN RESPECT OF ANY MATTER TO BE ACTED UPON, THE PROXY CONFERS ON THE PROXYHOLDER**

DISCRETIONARY AUTHORITY WITH RESPECT TO SUCH MATTER AND, IF ONE OF THE MANAGEMENT APPOINTEES IS NAMED IN THE FORM OF PROXY TO ACT AS THE SHAREHOLDER'S PROXYHOLDER, THE SHARES REPRESENTED BY THE PROXY WILL BE VOTED IN FAVOUR OF ALL SUCH MATTERS. THE FORM OF PROXY ACCOMPANYING THIS INFORMATION CIRCULAR GIVES THE PERSON OR COMPANY NAMED AS PROXYHOLDER DISCRETIONARY AUTHORITY REGARDING AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE NOTICE OF MEETING AND OTHER MATTERS THAT MAY PROPERLY COME BEFORE THE MEETING. IN THE EVENT THAT AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE NOTICE OF MEETING ARE PROPERLY BROUGHT BEFORE THE MEETING OR ANY OTHER BUSINESS IS PROPERLY BROUGHT BEFORE THE MEETING, IT IS THE INTENTION OF THE MANAGEMENT APPOINTEES TO VOTE IN ACCORDANCE WITH THEIR BEST JUDGMENT ON SUCH MATTERS OR BUSINESS ON ANY BALLOT THAT MAY BE CALLED FOR. AT THE TIME OF PRINTING THIS INFORMATION CIRCULAR, MANAGEMENT KNOWS OF NO SUCH AMENDMENTS, VARIATIONS OR OTHER MATTERS WHICH MAY BE BROUGHT BEFORE THE MEETING.

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing, executed by the Registered Shareholder or the Registered Shareholder's attorney authorized in writing, or if the Registered Shareholder is a corporation, by a duly authorized officer or attorney, and deposited either at the registered office of the Company at any time up to 4:00 pm (Pacific time) on the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, or in respect of any matter for which a vote has not already have been cast pursuant to such proxy, with the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof, and upon either of such deposits the proxy is revoked.

Only Registered Shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must arrange for their Intermediaries to revoke the proxy on their behalf.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The directors have determined that all Shareholders of record as of the 1st day of August, 2023 (the "**Record Date**") will be entitled to receive notice of and to vote at the Meeting.

The Company's authorized share structure consists of an unlimited number of Common Shares without par value and unlimited number of Preference Shares without par value and containing the special rights and restrictions set out in Part 27 of the Articles of the Company. The Preference Shares are non-voting. There are 38,250,001 Common Shares and no Preference Shares issued and outstanding as at the date of this Information Circular, respectively.

At a general meeting of the Company's shareholders, on a show of hands, every Registered Shareholder present in person and entitled to vote and every proxyholder duly appointed by a Registered Shareholder who would have been entitled to vote shall have one vote and, on a poll, every Registered Shareholder present in person or represented by proxy or other proper authority and entitled to vote will have one vote for each share of which such shareholder is the registered holder. Shares represented by proxy will only be voted as to the number of shares represented if a poll or ballot is called for. A poll or ballot may be requested by a Registered Shareholder or proxyholder present and entitled to vote at the Meeting or required because the number of votes attached to shares represented by proxies that are to be voted against a matter is greater than 5% of the votes attached to all shares that are entitled to be voted and to be represented at the Meeting.

As of the date of this Information Circular, the directors and executive officers of the Company, as a group, beneficially owned, or controlled or directed, directly or indirectly, 4,750,001 Common Shares, representing approximately 12.42% of the outstanding Common Shares.

To the knowledge of the directors and executive officers of the Company, as at the date of this Information

Circular, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the outstanding voting rights attached to all shares of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein or in the Company's press releases, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, or controls or directs, directly or indirectly, Common Shares, or a combination of both, carrying more than ten per cent (10%) of the voting rights attached to the outstanding Common Shares (an "Insider"); (c) director or executive officer of a person or company that is itself an Insider or subsidiary of the Company; or (d) any associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year, or in any proposed transaction that has materially affected or would materially affect the Company, except with respect to an interest arising from the ownership of Common Shares where such person or company will receive no extra or special benefit or advantage not shared on a pro-rata basis by all holders of Common Shares.

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

Except as otherwise set out herein, none of the directors or executive officers of the Company, management proposed nominees for election as a director of the Company, persons who have been directors or executive officers of the Company since the commencement of the Company's last financial year, or associates or affiliates of any of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

1. FINANCIAL STATEMENTS

At the Meeting, a copy of the Company's annual audited financial statements for the financial year ended September 30, 2022 (the "**Financial Statements**"), together with the auditor's report thereon, will be placed before the Shareholders at the Meeting. The presentation at the Meeting of the auditors' report and the Financial Statements for this financial period will not constitute a request for approval or disapproval of any matters referred to therein. Copies of the Company's annual and interim financial statements are also available on SEDAR+ at <https://www.sedarplus.ca>.

2. ELECTION OF DIRECTORS

Election of Directors

The Board currently consists of five (5) directors and the term of office of each of the present directors will expire at the Meeting. Directors of the Company are elected for a term of one (1) year. At the Meeting, Shareholders will be asked to elect five (5) directors for the ensuing year.

Each of the director nominees, if elected, will serve until the close of the next annual meeting, unless he resigns or otherwise vacates office before that time.

The Board unanimously recommends that Shareholders vote FOR each of the proposed nominees set forth in the table below.

UNLESS OTHERWISE INSTRUCTED, PROXIES AND VOTING INSTRUCTIONS GIVEN PURSUANT TO THIS SOLICITATION BY THE MANAGEMENT OF THE COMPANY WILL BE VOTED FOR THE ELECTION OF EACH OF THE PROPOSED NOMINEES SET FORTH IN THE TABLE BELOW.

The following table and notes thereto state the names of all the persons proposed to be nominated for election as directors of the Company, all of the positions and offices with the Company now held by them, their present principal occupations or employment and the number of Common Shares beneficially owned,

directly or indirectly, or over which control or direction is exercised, by each of them as of the date of this Circular. The information as to Common Shares beneficially owned has been furnished to the Board by the respective nominees.

These nominees have consented to being named in this Circular and to serving if elected. The Company's management does not contemplate that any of the nominees will be unable or unwilling to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly submitted proxies given in favour of such nominee(s) may be voted by the persons whose names are printed in the form of proxy, at their discretion, in favour of another nominee.

Name, Jurisdiction of Residence and Present Office Held	Date Director Appointed	Principal Occupation and if not at Present an Elected Director, Occupation during the Past Five (5) Years ⁽⁵⁾	Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly⁽⁴⁾
James Liang ⁽¹⁾ Vancouver, BC, Canada <i>CEO & Director</i>	November 10, 2021	Chief Executive Officer of the Company since November 2021. Prior thereto, Associate of New Margin Ventures, former Chief Executive Officer and director of Skyledger Tech Corp. and director of Hello Pal International Inc. and Zinc One Resources Inc.	500,000 1.31%
Alan Tam Vancouver, BC, Canada <i>Chief Financial Officer & Director</i>	November 10, 2021	Chief Financial Officer since November 2021. Chief Financial Officer of Golcap Resources Corp. and Chief Financial Officer and director of Hercules Resources Corp. Mr. Tam is also the former Chief Financial Officer of Enlighta Inc. and TraceSafe Inc., as well as the former Chief Financial Officer of Crest Resources Inc.	500,000 1.31%
Sean Prescott ⁽¹⁾⁽²⁾ Vancouver, BC, Canada <i>Non-Executive Chairman & Director</i>	November 10, 2021	Non-Executive Chairman since November 2021. Global Chief Technology Officer for VeroWay Group AG and former Chief Executive Officer of UniCrypt Group AG	2,750,000 7.19%
Michael Zenko ⁽²⁾ Vancouver, BC, Canada <i>Chief Operating Officer & Director</i>	January 12, 2022	Chief Operating Officer since January 2022. Prior thereto, General Manager the Western Division of Boscus Canada Inc. and former lumber trader with Lignum Forest Productions	500,000 1.31%
Darien Lattanzi ⁽¹⁾⁽²⁾ Vancouver, BC, Canada <i>Director</i>	June 20, 2018	Member of the board since June 2018, consultant with various	500,001 1.31%

Name, Jurisdiction of Residence and Present Office Held	Date Director Appointed	Principal Occupation and if not at Present an Elected Director, Occupation during the Past Five (5) Years ⁽⁵⁾	Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽⁴⁾
		publicly listed issuers and a director of JKS Resources Inc.	

Notes:

- (1) Member of the Audit Committee of the Board.
- (2) Member of the Governance, Nominating and Compensation Committee of the Board of which Mr. Lattanzi is chair.
- (3) Mr. Prescott exercise control of 2,750,000 common shares held by the Prescott Family Foundation.
- (4) As a group, the director nominees beneficially own or control a total of 4,750,001 Common Shares representing 12.42% of the Common Shares. Percentages of Common Shares owned are based on 38,250,001 Shares issued and outstanding.
- (5) The information as to principal occupation, business or employment is not within the knowledge of the management of the Company and has been furnished by the respective director. Unless otherwise stated above, any director of executive officer named above has held the principal occupation or employment indicated for at least five years.

Corporate Cease Trade Orders, Penalties and Sanctions, and Bankruptcies

Except as disclosed below, to the knowledge of management of the Company, no proposed director (including any personal holding company of a proposed director):

- (a) is, as at the date of this Information Circular, or has been, within the preceding 10 years, a director, chief executive officer or chief financial officer of any company (including the Company) that,
 - (i) was subject to a cease trade or similar order (including a management cease trade order whether or not such person was named in the order) or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "Order") while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is, as at the date of this Information Circular, or has been within the preceding 10 years, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) has been subject to:
 - (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000, or before December 31, 2000 the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; or

- (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director; or
- (e) is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

Zinc One Resources Inc.

On August 14, 2020, Zinc One Resources Inc. (“**Zinc One**”) was issued a cease trader order (the “**CTO**”), issued by the British Columbia Securities Commission, as a result of Zinc One’s failure to file its annual audited financial statements and annual management discussion and analysis for the fiscal year ended February 29, 2020. At the time of its failure to file, James Liang was a director of Zinc One. This CTO was revoked by the BCSC on December 15, 2020 upon Zinc One’s filing of the required records.

Hello Pal International Inc.

On September 6, 2022, Hello Pal International Inc. (“**Hello Pal**”) was issued a CTO by the British Columbia Securities Commission and Ontario Securities Commission, as a result of Hello Pal’s failure to file its interim financial statements for the period ended May 31, 2022, its annual audited financial statements for the financial year ended February 28, 2022, and accompanying management discussion and analysis for the period and fiscal year ended May 31, 2022 and February 28, 2022, respectively. At the time of its failure to file, James Liang was a director of Hello Pal. This CTO remains in place as of the date of this Information Circular.

Crest Resources Inc.

On September 29, 2022, Crest Resources Inc. (“**Crest**”) was issued a CTO issued by the British Columbia Securities Commission, as a result of Crest’s failure to file its annual audited financial statements and annual management discussion and analysis for the fiscal year ended May 31, 2022. At the time of its failure to file, Alan Tam was the Chief Financial Officer of Crest. This CTO was revoked by the BCSC on December 28, 2022 upon Crest’s filing of the required records.

Additional Information Regarding the Board

For additional information regarding the Board, including compensation and corporate governance practices, see “*Statement of Executive Compensation – Director Compensation*” and “*Corporate Governance Practices*”.

3. APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to consider and, if thought advisable, to pass an ordinary resolution to approve the re-appointment of Mao & Ying LLP (“**Mao & Ying**”) as the independent auditors of the Company, to hold office until the next annual meeting of Shareholders and to authorize the Board to fix Mao & Ying’s remuneration. Management is recommending that Shareholders vote to appoint Mao & Ying, as the auditor for the Company and to authorize the directors to fix the remuneration of the auditor (the “**Auditor Resolution**”). Mao & Ying was first appointed as auditor of the Company on January 30, 2023.

The Board unanimously recommends that Shareholders vote **FOR** the Auditor Resolution.

UNLESS OTHERWISE INSTRUCTED, THE PROXIES GIVEN PURSUANT TO THIS SOLICITATION WILL BE VOTED FOR THE RE-APPOINTMENT OF MAO & YING AS THE AUDITOR OF THE COMPANY, TO HOLD OFFICE FOR THE ENSUING YEAR AT A REMUNERATION TO BE FIXED BY THE DIRECTORS.

4. OTHER BUSINESS

MANAGEMENT IS NOT AWARE OF ANY OTHER MATTER TO COME BEFORE THE MEETING OTHER THAN AS SET FORTH IN THE NOTICE OF MEETING. IF ANY OTHER MATTER PROPERLY COMES BEFORE THE MEETING, IT IS THE INTENTION OF THE MANAGEMENT APPOINTEES TO VOTE THE SHARES REPRESENTED BY THE FORM OF PROXY ACCOMPANYING THIS INFORMATION CIRCULAR ON ANY BALLOT THAT MAY BE CALLED FOR IN ACCORDANCE WITH THEIR BEST JUDGMENT ON SUCH MATTER.

You are urged to carefully consider all of the information in the accompanying Information Circular to the Meeting. If you require assistance, you should consult your financial, legal, or other professional advisor

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The purpose of this Compensation Discussion and Analysis is to provide information about the Company's executive compensation objectives and processes and to discuss compensation decisions relating to its named NEO (defined below) listed in the Summary Compensation Table that follows. During its fiscal year ended September 30, 2022, the following individuals were NEOs (as determined by applicable securities legislation) of the Company:

- James Liang, Chief Executive Officer
- Alan Tam, Chief Financial Officer

The Company's executive compensation practices, principles and objectives are summarized below.

For the purpose of this Information Circular:

"Board" means the board of directors of Company;

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

"executive officer" means an individual who is a chair, vice-chair, or president of the Company, a vice-president in charge of a principal business unit, division or function including sales, finance or production of the Company and an individual who performs a policy-making function in respect of the Company and who has the capacity to influence the direction of the Company.

"Governance Committee" means the Governance, Nominating and Compensation Committee of the Board;

"NEO" or "Named Executive Officer" means each of the following individuals:

- each individual who served as chief executive officer ("**CEO**") of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- each individual who served as chief financial officer ("**CFO**") of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- the most highly compensated executive officer of the Company, including any of its subsidiaries, or the most highly compensated individual acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, more than \$150,000 for that financial year; and
- each individual who would be an NEO under (iii) but for the fact that the individual was neither an executive officer of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

"plan" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal

document, where cash, compensation securities or any other property may be received, whether for one or more persons;

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

Compensation Oversight

The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each NEO and director for the financial year, and the decision-making process relating to compensation. This disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help investors understand how decisions about executive compensation are made.

Compensation Governance

The Board has tasked its Governance Committee with, among other things, setting the executive compensation philosophy and compensation policy of the Company, evaluating the performance of executive officers and establishing the appropriate executive compensation structure, and administering the Company’s equity and incentive-based plans. The Governance Committee will annually review and approve corporate goals and objectives relevant to the compensation of the CEO, review and assess the CEO’s performance relative to those goals and objectives, and set the CEO’s compensation on an annual basis. It will also, in consultation with the CEO, review and make recommendations annually to the Board for consideration and approval with respect to non-CEO senior executive officer compensation. The Governance Committee will also review and make recommendations to the Board with respect to executive incentive compensation plans and equity-based plans in which executive officers and members of the Board are eligible to participate, and will oversee the administration of such plans.

Executive Compensation Practices

The objective of the Board when determining compensation to be paid to senior executives of the Company is to ensure that the level and form of compensation: (a) attracts and retains talented, qualified, experienced and effective executives consistent with the general sector; (b) motivates the short and long-term performance of these executives; (c) reflects the Company’s current state of development; (d) reflects the Company’s performance and financial status; (e) reflects individual performance; and (f) aligns the interests of the executives with the Company’s overall business objectives and the interests of the Shareholders. As there are no formal policies and compensation decisions are generally subjective, the Company does not tie any significant element of compensation to specific performance criteria or goals.

In addition to industry trends, the Board considers a variety of other factors it considers relevant and appropriate when assessing compensation policies and practices for director and executive compensation levels. These factors include the long-range interests of the Company and its Shareholders, the implications of the risks associated with the Company’s compensation policies and practices in light of the financial performance of the Company, the overall financial and operating performance of the Company and the Board’s assessment of each executive’s individual achievements, performance and contribution toward meeting corporate objectives.

Assessments to determine executive compensation are made through Board discussion without formal objectives, criteria and analysis. To ensure its executive compensation is appropriate and competitive, the Board typically reviews the compensation practices on an annual basis but may also conduct reviews on an ad hoc basis as the need arises. The Company has not retained any third party advisors to conduct compensation reviews of its pay levels and practices. The Company aims to provide compensation that is competitive with companies at a similar stage of development; however, no formal benchmark group of companies is established.

Elements of NEO Compensation

The Company's compensation structure generally has three primary components: (a) base salary (which may include consulting fees); (b) discretionary performance bonuses; and (c) security-based compensation in the form of incentive stock options. Any security-based compensation arrangements are not intended as a substitute for salaries or wages, or as a means of compensation for past services rendered but serve as a form of incentive. Using the objectives and criteria described above, the Board and Compensation Committee review all three components together in assessing the compensation of individual executive officers and of the Company. The Company believes the elements and objectives of its compensation practices are necessary in a competitive technology market for qualified personnel.

Base Salary Compensation

Base salaries for NEOs of the Company are evaluated and established to provide a reasonable amount of non-contingent remuneration in order to retain executives with experience and skills required to achieve the strategic and organizational goals of the Company. In determining base salaries, the Board and Compensation Committee reference salary levels in the industry and location in which the Company operates, the individual's experience level, the scope and complexity of the position held, and the level of expertise and capabilities demonstrated by and expected by the executive officers.

Security-Based Compensation

Security-based compensation is a principal form of long-term variable compensation and is used by the Company as an incentive to attract, retain and motivate a highly qualified staff and service providers. They are not intended as a substitute for salaries or wages, or as a means of compensation for past services rendered. Security-based compensation arrangements are intended to reinforce commitment to long-term growth and shareholder value. Equity participation through the Company's stock option, under the Company's equity incentive plan (the "**Equity Incentive Plan**"), enables directors, executives and employees to participate in the success of the Company, aligning their long-term interests with those of its Shareholders.

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Equity Incentive Plan. Implementation of the Equity Incentive Plan and any amendments to it are the responsibility of the Board as a whole. The Board authorizes the security-based compensation to be granted to its NEOs as well as to its directors in accordance with the Equity Incentive Plan. The awards are determined based on, among other things, each recipient's level of responsibility, length of tenure with the Company, and the degree to which the individual's long term contribution to the Company will be crucial to its overall long-term success. The Board also takes into consideration outstanding options when granting new awards.

See "*Equity Incentive Plan*" for additional details on the features of the Equity Incentive Plan.

Discretionary Bonuses

The Board considers, on an annual basis, discretionary cash bonuses to reward extraordinary performance during the preceding financial year which has led to Company milestones, strategic transactions, or capital raising achievements. The discretionary bonuses are intended to provide a short-term incentive for executive officers to meet the Company's goals, as well as to remain competitive within the industry. In determining whether a bonus will be awarded, the Board considers such factors as the executive's performance over the past year, the Company's achievements in the past year and the executive's role in effecting such achievements, after taking into account the financial and operating performance of the Company.

Risk Monitoring

Due to the relatively small size of the Company and its current management group, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation practices. The Board reviews from time to time and at least once annually, the Company's compensation

policies and practices. Implicit in the Board's mandate is that the Company's policies and practices respecting compensation, including those applicable to the Company's executives, be designed in a manner which is in the best interests of the Company and risk implications is one of many considerations which are taken into account in such design.

Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company is reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Use of Financial Instruments

The Company does not have a policy that would prohibit an NEO or director from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or 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 the NEO or director. However, management is not aware of any NEO or director purchasing such an instrument.

Perquisites and Other Personal Benefits

The Company's NEOs are not generally entitled to significant perquisites or other personal benefits not offered to the Company's other employees. Where NEOs receive perquisites such as car allowances or company vehicles, they reflect competitive practices, business needs and objectives.

Pension Plans

No pension plan or retirement benefit plans have been instituted by the Company and none are proposed at this time.

Oversight and Description of Director Compensation

Except as disclosed below, and as of the date of this Information Circular, the Board has not established any formal compensation policy for its Board and the Company does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. Each director will be entitled to reimbursement for reasonable travel and other expenses incurred in connection with attending Board meetings and meetings for any committee on which such director serves. To date, there have been no travel expenses incurred by the Company due to all meetings of the Board being conducted virtually.

NEO Employment, Consulting and Management Arrangements

The Company has a verbal agreement dated for January 1, 2022 with Mr. Alan Tam whereby Alan Tam Inc., a company controlled by Mr. Tam, is paid \$2,000 per month for providing the services of Mr. Tam as Chief Financial Officer of the Company.

STATEMENT OF EXECUTIVE COMPENSATION

At the end of the Company's financial year ended September 30, 2022, the Company had two NEOs: James Liang, Chief Executive Officer and Alan Tam, Chief Financial Officer.

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company and subsidiaries of the Company, to each NEO and each director, including all plan and non-plan compensation, remuneration, rewards, benefits, gifts or perquisites for services provided and for services to be provided, directly or indirectly, to the Company or any of its subsidiaries for the financial year ended September 30, 2022.

The compensation information presented in this section, other than option-based awards, is prepared in Canadian dollars, the currency in which the Company prepares its financial statements.

Table of Compensation Excluding Compensation Securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$) ¹	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
James Liang ⁽¹⁾ <i>CEO and Director</i>	2022 2021 2020	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A
Alan Tam ⁽²⁾ <i>CFO</i>	2022 2021 2020	18,000 N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	18,000 N/A N/A
Sean Prescott ⁽³⁾ <i>Non-Executive Chairman and Director</i>	2022 2021 2020	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A
Michael Zenko ⁽⁴⁾ <i>Chief Operating Officer and Director</i>	2022 2021 2020	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A	Nil N/A N/A
Darien Lattanzi <i>Director</i>	2022 2021 2020	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil

Notes:

- (1) Mr. Liang was appointed as CEO and a director of the Company on November 10, 2021.
- (2) Mr. Tam was appointed as CFO and a director of the Company on November 10, 2021. Mr. Tam receives \$2,000 as an independent contractor providing CFO services and is not compensated for his role as a director.
- (3) Mr. Prescott was appointed as the Non-Executive Chairman and a director of the Company on November 10, 2021.
- (4) Mr. Zenko was appointed as the Chief Operating Officer and a director of the Company on November 10, 2021.

Equity Incentive Plan

The Equity Incentive Plan was adopted by the Board on May 16, 2022. The purpose of the Equity Incentive Plan is to develop the interest of and provide an incentive to eligible employees, directors and consultants of the Company or any related entity of the Company, to assist in the Company's growth, development and success by granting to eligible employees, directors and consultants from time to time options to purchase Common Shares, thereby advancing the interests of the Company and its shareholders. The Equity Incentive Plan is designed to: (i) encourage share ownership; (ii) align eligible participants' interests in the performance of the Company; (iii) encourage the retention of key employees within the Company; and (iv) attract highly qualified employees by remaining competitive in terms of total compensation arrangements. Under the Equity Incentive Plan, Restricted Share Units (as defined in the Equity Incentive Plan) and Deferred Share Units (as defined in the Equity Incentive Plan) (Restricted Share Units and Deferred Share Units collectively referred to as "Awards"). may be granted to directors and employees of the Company or of a related entity of the Company, as well as to consultants of the Company (each, a "Participant").

The maximum number of Common Shares issuable to Participants pursuant to Awards issued under the Equity Incentive Plan shall not exceed 10% of the issued and outstanding Common Shares of the issued and outstanding prior to the time of any prospective Award. Awards that have been settled in cash,

cancelled, terminated, surrendered, forfeited or expired without being exercised, and pursuant to which no Common Shares have been issued, shall continue to be issuable under the Equity Incentive Plan. The Equity Incentive Plan is therefore an evergreen plan.

The Board has delegated the administration of the Equity Incentive Plan to the Governance Committee, subject to any Awards granted by the Governance Committee being ratified by the Board. The Governance Committee, as administrative agent and trustee, has authority to, among other things, determine the Participants to whom Awards will be granted, as well as the number of voting Common Shares which are subject to purchase upon the exercise of any outstanding Awards, as well as the terms, conditions and restrictions of any grant of Awards.

The full text of the Equity Incentive Plan is attached as Schedule “B” to this Information Circular.

None of the directors or NEOs were issued or exercised any compensation securities during the financial year ended September 30, 2022.

As at the date hereof, the Company has granted 1,500,000 options to its directors, officers and consultants at an exercise price of \$0.60 per Common Share.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has an equity incentive plan (see “*Equity Incentive Plans*”) under which an amount equal to 10% of the outstanding Common Shares at any one time is reserved for issuance. The following table sets out the number of the Common Shares to be issued and remaining available for future issuance under the Company’s Equity Incentive Plan at the end of the Company’s financial year of September 30, 2022:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights ⁽²⁾	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽¹⁾
	(a)	(b)	(c)
Equity compensation plans approved by securityholders	Nil	N/A	Nil
Equity compensation plans not approved by securityholders	3,700,000	N/A	3,700,000
Total	3,700,000	N/A	3,700,000

Note:

- (1) Based on 10% of the Company’s issued and outstanding Common Shares as at September 30, 2022.
- (2) None of the directors, officers, consultants or employees were issued compensation securities during the financial year ended September 30, 2022.

CORPORATE GOVERNANCE

National Policy 58-201 - *Corporate Governance Guidelines* establishes corporate governance guidelines (the “**Guidelines**”) which apply to all public companies in Canada. The Guidelines address matters relating to the constitution of the board and independence of directors, the functions to be performed by the directors of a company and their committees, and effectiveness and evaluation of proposed corporate governance guidelines and best practices specified by the Canadian securities regulators.

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires issuers to disclose their governance practices in accordance with NI 58-101. This section sets out the Company’s approach to corporate governance.

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders and has reviewed its own corporate governance practices in light of the Guidelines.

1. **Board of Directors** – The Board currently consists of five (5) directors, and it is proposed that five (5) directors be nominated at the Meeting. The Board facilitates its exercise of independent supervision over management by ensuring that a majority of its members are “impartial”. Directors are considered to be impartial if they have no direct or indirect material relationship with the Company which could, in the view of the Company’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board has determined that its composition must include at least two directors who are “Independent” as defined by National Instrument 52-110 - *Audit Committees* (“**NI 52-110**”). As at the date of this Information Circular, only Darien Lattanzi is considered Independent. Mr. Laing is not considered Independent due to his currently acting as an executive officer of the Company. Mr. Prescott is not considered Independent due to the fact that Mr. Prescott is a party to the technology acquisition agreement, which is a material agreement to the Company.

Management has been delegated the responsibility of meeting defined corporate objectives, implementing approved strategic and operating plans, carrying out the Company’s business in the ordinary course, evaluating business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board reviews and approves the Company’s long-term strategic, business and capital plans, material contracts and business transactions and all debt and equity financing transactions. Through its Audit Committee, the Board examines the effectiveness of the Company’s internal control processes. The Compensation Committee of non-executive and Independent members of the Board review and approve executive compensation and security-based compensation.

2. **Other Directorships** – Except as disclosed below, none of the directors serve as directors of other listed companies.

Name of Director	Name of Reporting Issuer	Exchange
James Liang	Hello Pal International Inc.	Canadian Securities Exchange
	Zinc One Resources Inc.	TSX Venture Exchange (NEX)
Darien Lattanzi	JKS Resources Inc.	Canadian Securities Exchange
Alan Tam	Hercules Resources Corp.	Canadian Securities Exchange

3. **Independent Meetings** - Where matters arise at meetings of the Board which require decision-making and evaluation that is independent of management and interested directors, the Company’s directors may hold an "in-camera" session among the disinterested directors, without management present at such meeting.
4. **Orientation and Continuing Education** - Each new director receives orientation on the Company’s business, current projects and the industry, and information on corporate and social responsibilities. Board meetings may also include presentations by the Company’s management and employees to give the directors additional insight into the Company’s business.

Board members are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in

legislation with management's assistance, and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

5. **Ethical Business Conduct** – The Board has determined that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Furthermore, the Board promotes fair dealing with all its stakeholders and requires compliance with the laws of each jurisdiction in which the Company operates.
6. **Nomination of Directors** – The Board considers its size each year when it considers the number of directors to recommend to the Shareholders for election at the annual meeting of shareholders, taking into account the number of individuals required to carry out the Board's duties effectively and to maintain a diversity of views and experience. The Board has a Governance Committee, comprising of Sean Prescott, Michael Zenko and Darien Lattanzi. In identifying potential Board candidates, the directors assess perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the technology industry may also be consulted for possible candidates.
7. **Audit Committee** – The Audit Committee is appointed by the Board to assist the Board in fulfilling its oversight responsibilities. A majority of the Audit Committee is required to be non-executives in that the majority of directors are not officers, employees or Control Persons of the Company or any of its subsidiaries. The Audit Committee's primary duties and responsibilities are to:
 - (a) recommend to the Board the external auditor to be nominated, and its compensation;
 - (b) monitor the integrity of the financial statements of the Company;
 - (c) ensure the external auditor's qualifications and independence;
 - (d) oversee the performance of the auditor;
 - (e) be satisfied that adequate procedures are in place for review of the Company's disclosure of financial information; and
 - (f) establish procedures for receipt, retention and treatment of complaints received regarding accounting, audit or internal controls, and the anonymous submission of concerns regarding questionable accounting or audit matters.

For further details on the Audit Committee, please refer to section entitled "*Audit Committee and Auditor*" and Schedule "A", "*Audit Committee Charter*" attached hereto.

8. **Governance, Nominating and Compensation Committee** – Directors, Sean Prescott, Michael Zenko and Darien Lattanzi evaluate and recommend the compensation for the senior executives and the directors to the Board for approval and abstain from voting in respect of their own compensation. To determine compensation terms, the Governance, Nominating and Compensation Committee and directors consider the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company.
9. **Assessments** – The Board monitors on an ongoing basis the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

AUDIT COMMITTEE AND AUDITOR

NI 52-110 requires the Company, as a listed issuer, to disclose annually in its management information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor. The information is set forth below.

The Audit Committee provides review and oversight of the Company's accounting and financial reporting process, and the audit process, including the selection, oversight and compensation of the Company's external auditor.

Composition

As of the date of this Circular, Messrs. Sean Prescott, James Liang and Darien Lattanzi are members of the Company's Audit Committee. Mr. Lattanzi is the sole independent director and Messrs Prescott and Liang may not be considered independent. Therefore, at present, the majority of the Audit Committee is not considered independent.

All of the committee members are considered to be "financially literate" as that term is defined in National Instrument 52-110 *Audit Committees*. Each member has the ability to read and understand the Company's financial statements and to understand the breadth and complexities of the financial issues that can reasonably be expected to be raised by the Company.

Relevant Experience and Education

The educational background or experience of the audit committee members has enabled each to perform his responsibilities as an audit committee member and has provided the member with an understanding of the breadth and complexity of the accounting issues and principles used by the Company to prepare its financial statements.

The education and experience of each member relevant to the performance of such member's responsibilities as an audit committee member are described in the following paragraphs:

Sean Prescott

Mr. Prescott is the current Global Chief Technology Officer for VeroWay Group AG and former Chief Executive Officer of UniCrypt Group AG. Mr. Prescott also has over two decades of experience in the enterprise information technology and banking industry, acting in a variety of roles including senior licensed derivate trader. As such, Mr. Prescott has the ability to understand financial statements.

James Liang

Mr. Liang has a Bachelor of Commerce from the University of British Columbia, obtained a Financial Risk Manager Certification from the Global Association of Risk Associates (GARP) and completed two levels of the CFA exams. Mr. Liang currently works with New Margin Ventures, which is a venture capital firm based in HangZhou, China, and assists with the evaluation of a number of technology companies for the purpose of New Margin providing financing. Accordingly, Mr. Liang has the ability to understand financial statements relating to junior technology companies.

Darien Lattanzi

Mr. Lattanzi has been a business associate working with a number of corporations with CSE and TSX Venture Exchange listed resource companies, which provided him with experience in financings, corporate filings and corporate governance. Mr. Lattanzi is also currently completing a Canadian Securities Course. Accordingly, Mr. Lattanzi has the ability to understand financial statements.

Audit Committee Charter

The Company's Audit Committee is governed by an Audit Committee Charter, the text of which is attached as Schedule "A" to this Information Circular.

External Auditor Service Fees

The fees billed by the Company's external auditor in each of the last two financial years for audit and non-audit related services provided to the Company and its subsidiaries are as follows:

FINANCIAL YEAR ENDING SEPTEMBER 30	AUDIT FEES (\$)	AUDIT RELATED FEES (\$)	TAX FEES (\$)	ALL OTHER FEES (\$)⁽¹⁾
2022	10,000	Nil	Nil	4,175
2021	10,500	Nil	Nil	Nil

Note:

- (1) Pursuant to the Audit Committee Charter, the Company requires Audit Committee pre-approval of all non-audit services to be provided to the Company.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year has any recommendation by the Audit Committee respecting the appointment and/or compensation of its external auditor not been adopted by the Board.

Reliance on Certain Exemptions

As an Exchange listed issuer, the Company is relying on the exemptions from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of National Instrument 52-110 *Audit Committees*.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers or employees of the Company or any of its subsidiaries, nor proposed nominee for election as a director of the Company, and no associate or affiliate of any of them is or has been indebted to the Company or any of its subsidiaries at any time since the beginning of the Company's most recently completed financial year nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company.

MANAGEMENT CONTRACTS

No management functions of the Company are to any substantial degree performed by a person or company other than the directors or NEOs of the Company

ADDITIONAL INFORMATION

Additional information relating to the Company can be found under the Company's profile at www.sedarplus.ca and on the Company's website at <http://scopecarboncorp.com/>.

Financial information is provided in the Company's comparative annual financial statements and Management's Discussion and Analysis for the most recently completed financial year, which are available on www.sedarplus.ca or on the Company's website. Copies these documents may also be obtained by a securityholder, without charge, upon request to the Chief Financial Officer of the Company at Scope Carbon Corp., 1000 - 1055 West Hastings Street, Vancouver, BC, Vancouver, BC, V6E 2E9, Canada (telephone 604-683-0911).

DIRECTORS' APPROVAL

The contents of this Information Circular and the sending of it have been approved by the directors of the Company. This Information Circular has been sent to each director of the Company, each shareholder of the Company entitled to the Notice of Meeting and the auditors of the Company.

BY ORDER OF THE BOARD OF DIRECTORS

"James Liang"

James Liang
Chief Executive Officer and Director

SCHEDULE "A"

**CHARTER
OF THE
AUDIT COMMITTEE
OF THE
BOARD OF DIRECTORS
OF
SCOPE CARBON CORP.**

AUDIT COMMITTEE CHARTER

PURPOSE AND PRIMARY RESPONSIBILITY

- 1.1 This charter sets out the Audit Committee's purpose, composition, member qualification, member appointment and removal, responsibilities, operations, manner of reporting to the Board of Directors (the "**Board**") of Scope Carbon Corp. (the "**Company**"), annual evaluation and compliance with this charter.
- 1.2 The Audit Committee assists the Board in fulfilling its legal and fiduciary obligations with respect to matters involving the financial reporting process on behalf of the Board. This includes oversight responsibility for financial reporting and continuous disclosure, oversight of external audit activities, oversight of financial risk and financial management control, and oversight responsibility for compliance with tax and securities laws and regulations as well as whistle blowing procedures. The Audit Committee is also responsible for the other matters as set out in this charter and/or such other matters as may be directed by the Board from time to time. The Audit Committee should exercise continuous oversight of developments in these areas.
- 1.3 In addition, the Audit Committee provides an avenue for communication between the external auditor, management and other employees of the Company, as well as the Board, concerning accounting, financial reporting and auditing matters.

MEMBERSHIP

- 2.1 At least a majority of the Audit Committee must be comprised of independent directors of the Company as defined in sections 1.4 and 1.5 of National Instrument 52-110 – Audit Committees ("**NI 52-110**"), provided that should the Company become listed on a senior exchange, each member of the Audit Committee will also satisfy the independence requirements of such exchange.
- 2.2 The Audit Committee will consist of at least three members, at least a majority of whom shall be financially literate, provided that an Audit Committee member who is not financially literate may be appointed to the Audit Committee if such member becomes financially literate within a reasonable period of time following his or her appointment. Upon graduating to a more senior stock exchange, if required under the rules or policies of such exchange, the Audit Committee will consist of at least three members, all of whom shall meet the experience and financial literacy requirements of such exchange and of NI 52-110.
- 2.3 The members of the Audit Committee will be appointed by the Board annually (and from time to time thereafter to fill any vacancies). An Audit Committee member may be removed or replaced at any time at the discretion of the Board and will cease to be a member of the Audit Committee on ceasing to be a director of the Company.
- 2.4 The Board appoints one Audit Committee member to act as its chair (the "**Committee Chair**"), provided that if the Board does not so designate a Committee Chair, the Committee, by a majority vote, may designate a Committee Chair. The Committee Chair may be removed at any time at the discretion of the Board. The incumbent Committee Chair continues in office until (i) a successor is appointed, (ii) he or she is removed by the Board, or (iii) he or she ceases to be a director of the Company. If the Committee Chair is absent from a meeting, the Committee will, by majority vote, select another Committee member to preside at that meeting.

AUTHORITY

- 3.1 In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:
 - (a) engage, set and pay the compensation for independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities, and any such consultants or professional advisors so retained by the Audit Committee will report directly to the Audit Committee;

- (b) communicate directly with management and any internal auditor, and with the external auditor without management involvement;
- (c) communicate directly with the Company's external auditor and the Company's officers and employees and request Company information and documentation from these persons;
- (d) investigate any matter relating to the Company's audit and accounting practices, or anything else within its scope of responsibility, and obtain full access to all Company books, records, facilities and personnel; and
- (e) incur ordinary administrative expenses that are necessary or appropriate in carrying out its duties, which expenses will be paid for by the Company.

DUTIES AND RESPONSIBILITIES

4.1 The duties and responsibilities of the Audit Committee include:

- (a) recommending to the Board the external auditor to be nominated by the Board;
- (b) recommending to the Board the compensation of the external auditor to be paid by the Company in connection with (i) preparing and issuing the audit report on the Company's financial statements, and (ii) performing other audit, review or attestation services;
- (c) overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attestation services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (d) regularly meeting with the external auditor without management present to discuss matters that fall under its mandate;
- (e) reviewing the external auditor's annual audit plan, fee schedule and any related services proposals (including meeting with the external auditor to discuss any deviations from or changes to the original audit plan, as well as to ensure that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditor or the reporting of their findings to the Audit Committee);
- (f) ensuring that the external auditor is independent by receiving a report annually from the external auditors with respect to their independence, such report to include (i) disclosure of all engagements (and fees related thereto) for non-audit services provided to the Company, (ii) a written statement delineating all relationships between the external auditor and the Company (assuring that lead audit partner rotation is carried out, as required by law, and delineating any other relationships that may adversely affect the independence of the external auditor);
- (g) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board by receiving, at least annually, a report by the external auditor on the audit firm's internal quality control processes and procedures and all relationships between the external auditor or any affiliates thereof and the Company or persons in financial reporting oversight roles at the Company that, as of the report's date, may reasonably be thought to bear on independence, such report to include any material issues raised by the most recent internal quality control review, or peer review, of the firm, or any governmental or professional authorities of the firm within the preceding five years, and any steps taken to deal with such issues, and discussing with the external auditor the potential effects of any relationships described in the report which may reasonably be thought to bear on independence;

- (h) ensuring that the external auditor meets the rotation requirements for partners and staff assigned to the Company's annual audit by receiving a report annually from the external auditors setting out the status of each professional with respect to the appropriate regulatory rotation requirements and plans to transition new partners and staff onto the audit engagement as various audit team members' rotation periods expire;
- (i) resolving disputes between management and the external auditor regarding financial reporting;
- (j) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor (or delegating such pre-approval to one or more independent to the extent permitted by applicable laws, regulations, rules and listing standards) and considering whether the auditor's provision of permissible non-audit services is compatible with the auditor's independence;
- (k) reviewing and discussing with management and the external auditor, prior to their public disclosure, the annual audited and quarterly unaudited financial statements and related Management Discussion and Analysis ("**MD&A**"), including the appropriateness of the Company's accounting policies, disclosures (including material transactions with related parties), reserves, key estimates and judgements (including changes or variations thereto) and obtaining reasonable assurance that the financial statements are presented fairly in accordance with IFRS and the MD&A is in compliance with appropriate regulatory requirements;
- (l) reviewing and discussing with management and the external auditor, prior to their public disclosure, all earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies;
- (m) reviewing and discussing with management and the external auditor, prior to their public disclosure, any annual information form and prospectus-type documents (including financial outlook, future-oriented financial information and other forward-looking information, and any pro-forma or non-IFRS information included therein);
- (n) to the extent not previously reviewed by the Committee, reviewing and discussing with management and the external auditor, prior to their public disclosure, all financial statements included in any prospectus, business acquisition report or offering memoranda and all other financial reports required by regulatory authorities and/or requiring approval by the Board;
- (o) reviewing and supervising, to the extent deemed appropriate, the preparation by management of (i) any information of the Company required to be filed by the Company with applicable securities regulators or stock exchanges, (ii) press releases of the Company containing material financial information, earnings guidance, forward-looking statements, information about operations or any other material information, (iii) correspondence broadly disseminated to the shareholders of the Company, and (iv) other relevant material written and oral communications or presentations
- (p) satisfying itself on a regular basis through reports from management and related reports, if any, from the external auditors, that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements and for ensuring that such information is fairly presented, and periodically assessing the adequacy of those procedures;
- (q) satisfying itself that management has developed and implemented a system to ensure that the Company meets its continuous disclosure obligations through the receipt of regular reports from management and the Company's legal advisors;

- (r) reviewing and discussing with management and the external auditor major issues regarding accounting principles and financial statement presentation including any significant changes in the selection or application of accounting principles to be observed in the preparation of the financial statements of the Company and its subsidiaries;
- (s) reviewing and discussing with management and the external auditor the external auditor's written communications to the Audit Committee in accordance with generally accepted auditing standards and other applicable regulatory requirements arising from the annual audit and quarterly review engagements;
- (t) reviewing the external auditor's report to the shareholders on the Company's annual financial statements;
- (u) reporting on, and recommending to the Board the approval of, the annual financial statements and the external auditor's report on those financial statements, the quarterly unaudited financial statements, and the related MD&A and press releases for such financial statements, prior to the dissemination of these documents to shareholders, regulators, analysts and the public;
- (v) overseeing the adequacy of the Company's system of internal accounting controls and obtaining from management and the external auditor summaries and recommendations for improvement of such internal controls and processes, together with reviewing management's remediation of identified weaknesses or deficiencies;
- (w) reviewing with management and the external auditors the integrity of disclosure controls and internal controls over financial reporting;
- (x) reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company and assessing, as part of its internal controls responsibility, the effectiveness of the overall process for identifying principal business risks and reporting thereon to the Board;
- (y) reviewing and assessing on an annual basis the code of business conduct and ethics of the Company ("**Code of Conduct**"), and making recommendations to the Board, where appropriate;
- (z) monitoring compliance with the Code of Conduct;
- (aa) reviewing and discussing with the Company's Chief Executive Officer (or an officer carrying out the function of CEO) (the "**CEO**") and Chief Financial Officer (or an officer carrying out the function of CFO) (the "**CFO**") the process for the certifications to be provided under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, and receives and reviews any disclosure from the Company's CEO and CFO made in connection with the required certifications of the Company's quarterly and annual reports filed;
- (bb) establishing procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto; and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (cc) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor of the Company;

- (dd) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities;
- (ee) reviewing the findings of any examinations by regulatory agencies, and any external auditors observations made regarding those findings;
- (ff) reviewing, together with management, the creditworthiness, liquidity and important treasury matters including financial plans and strategies of the Company;
- (gg) reviewing the Company's tax strategy, including its tax planning and compliance with applicable tax law;
- (hh) establishing and ensuring the application of procedures for:
 - (i) reviewing, on a periodic basis, the Company's insurance coverage program and related insured risks, including coverage for product liability, property damage, business interruption, liabilities, and directors' and officers' liability;
 - (ii) reviewing activities, organizational structure, and qualifications of the Chief Financial Officer ("**CFO**") and the staff in the financial reporting area and ensuring that matters related to succession planning within the Company are raised for consideration at the Board;
 - (iii) obtaining reasonable assurance as to the integrity of the Chief Executive Officer ("**CEO**") and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;
 - (iv) reviewing fraud prevention policies and programs, and monitoring their implementation;
 - (v) reviewing regular reports from management and others (e.g., external auditors, legal counsel) with respect to the Company's compliance with laws and regulations having a material impact on the financial statements including:
 - (A) Tax and financial reporting laws and regulations;
 - (B) Legal withholding requirements;
 - (C) Environmental protection laws and regulations; and
 - (D) Other laws and regulations which expose directors to liability.

4.2 A regular part of Audit Committee meetings involves the appropriate orientation of new members as well as the continuous education of all members. Items to be discussed include specific business issues as well as new accounting and securities legislation that may impact the organization. The Chair of the Audit Committee will regularly canvass the Audit Committee members for continuous education needs and in conjunction with the Board education program, arrange for such education to be provided to the Audit Committee on a timely basis.

4.3 The Audit Committee shall, on an annual basis, review and assess the adequacy of this charter taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommend changes to the Audit Committee charter to the Board for its approval.

OPERATIONS

- 5.1 In connection with the discharge of its duties and responsibilities, the Committee shall observe the following procedures:
- (a) **Meetings.** Each of the Committee Chair, members of the Audit Committee, Chair of the Board, external auditor, CEO, CFO or secretary shall be entitled to request that the Chair of the Audit Committee call a meeting which shall be held within 48 hours of receipt of such request to consider any matter that such individual believes should be brought to the attention of the Board or the shareholders. The Audit Committee shall fix its own procedure at meetings and for the calling of meetings. The external auditor must be given reasonable notice of, and has the right to appear before and to be heard at, each meeting of the Audit Committee.
 - (b) **Quorum.** The quorum for a meeting of the Audit Committee is a majority of the members of the Audit Committee.
 - (c) **Committee Chair.** The Committee Chair shall be responsible for leadership of the Audit Committee, including scheduling and presiding over meetings, preparing agendas, overseeing the preparation of briefing documents to circulate during the meetings as well as pre-meeting materials, ensuring all matters requiring the Audit Committee's approval are properly tabled and presented for consideration at Audit Committee meetings, and making regular reports to the Board on the work of the Audit Committee. The Committee Chair will also maintain regular liaison with the CEO, CFO, and the lead external audit partner.
 - (d) **Meeting with the CEO and CFO.** The Audit Committee will meet in camera separately with each of the CEO and the CFO of the Company at least annually to review the financial affairs of the Company.
 - (e) **Meeting with external auditor.** The Audit Committee will meet with the external auditor of the Company in camera at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.
 - (f) **Reporting to the Board.** The Audit Committee will report, at least annually, to the Board regarding the Audit Committee's examinations and recommendations. The Audit Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.
 - (g) **Minutes.** The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.
- 5.2 The Committee is authorized and empowered to adopt its own rules of procedures not inconsistent with any provision of this Charter, any provision of the Company's by-laws, or the compliance with applicable laws and regulations.

ANNUAL PERFORMANCE EVALUATION

- 6.1 The Board will conduct an annual performance evaluation of the Audit Committee, taking into account the Charter, to determine the effectiveness of the Committee.

GENERAL

- 7.1 The Audit Committee shall discharge its responsibilities and shall assess the information provided by the Company's management and any external advisors, including the external auditor, in accordance with its business judgment. Audit Committee members are not full-time Company

employees and are not, and do not represent themselves to be, professional accountants or auditors. The authority and responsibilities set forth in this Charter do not create any duty or obligation of the Audit Committee to (i) plan or conduct any audits, (ii) determine or certify that the Company's financial statements are complete, accurate, fairly presented or in accordance with IFRS, as applicable, and applicable laws, (iii) guarantee the external auditor's reports, or (iv) provide any expert or special assurance as to internal controls or management of risk. Audit Committee members are entitled to rely, absent knowledge to the contrary, on the integrity of the persons from whom they receive information, the accuracy and completeness of the information provided and management's representations as to any audit or non-audit services provided by the external auditor.

- 7.2 Nothing in this Charter is intended or may be construed as to impose on any Audit Committee member or the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject under Applicable Laws. This Charter is not intended to change or interpret the Company's constituting documents, Investor Agreements or Applicable Laws to which the Company is subject, and this Charter should be interpreted in a manner consistent with all such Applicable Laws. The Audit Committee is a committee of the Board and is not and shall not be deemed to be an agent of the Company's shareholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.
- 7.3 Any action that may or is to be taken by the Committee may, to the extent permitted by law or regulation, be taken directly by the Board.

SCHEDULE "B"

**EQUITY INCENTIVE PLAN
OF
SCOPE CARBON CORP.**

SCOPE CARBON CORP. EQUITY INCENTIVE PLAN

May 16, 2022

PART 1 PURPOSE

1.1 Purpose

The purpose of this Plan is to secure for Scope Carbon Corp. (the “**Company**”) and its shareholders the benefits inherent in share ownership by the employees and directors of the Company and its affiliates who, in the judgment of the board of directors (the “**Board**”), will be largely responsible for its future growth and success. It is generally recognized that equity incentive plans of the nature provided for herein aid in retaining and encouraging employees and directors of exceptional ability because of the opportunity offered to them to acquire a proprietary interest in the Company.

1.2 Available Awards

Awards that may be granted under this Plan include:

- (a) stock options;
- (b) deferred share units; and
- (c) restricted share rights.

PART 2 INTERPRETATION

2.1 Definitions

- (a) “**Affiliate**” has the meaning set forth in the BCA.
- (b) “**Award**” means any right granted under this Plan, including Options, Deferred Share Units and Restricted Share Rights.
- (c) “**BCA**” means the *Business Corporations Act* (British Columbia).
- (d) “**Blackout Period**” means a period in which the trading of Shares or other securities of the Company is restricted under any policy of the Company then in effect.
- (e) “**Board**” means the board of directors of the Company.
- (f) “**Cashless Exercise Right**” has the meaning set forth in Section 3.5 of this Plan.
- (g) “**Change of Control**” means the occurrence and completion of any one or more of the following events:
 - (A) the Company shall not be the surviving entity in a merger, amalgamation or other reorganization (or survives only as a subsidiary of an entity other than a previously wholly-owned subsidiary of the Company);
 - (B) the Company shall sell or otherwise transfer, including by way of the grant of a leasehold interest or joint venture interest (or one or more subsidiaries of the Company shall sell or otherwise transfer, including without limitation by way of the grant of a leasehold interest or joint venture interest) property or assets (i) aggregating more than 50% of the consolidated assets

(measured by either book value or fair market value) of the Company and its subsidiaries as at the end of the most recently completed financial year of the Company or (ii) which during the most recently completed financial year of the Company generated, or during the then current financial year of the Company are expected to generate, more than 50% of the consolidated operating income or cash flow of the Company and its subsidiaries, to any other person or persons (other than one or more Designated Affiliates of the Company), in which case the Change of Control shall be deemed to occur on the date of transfer of the assets representing one dollar more than 50% of the consolidated assets in the case of clause (i) or 50% of the consolidated operating income or cash flow in the case of clause (ii), as the case may be;

- (C) the Company is to be dissolved and liquidated;
- (D) any person, entity or group of persons or entities acting jointly or in concert acquires or gains ownership or control (including, without limitation, the power to vote) more than 50% of the Company's outstanding voting securities; or
- (E) as a result of or in connection with: (i) the contested election of directors, or (ii) a transaction referred to in subparagraph (i) above, the persons who were directors of the Company before such election or transaction shall cease to constitute a majority of the directors.

For the purposes of the foregoing, "voting securities" means Shares and any other shares entitled to vote for the election of directors and shall include any securities, whether or not issued by the Company, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors, including any options or rights to purchase such shares or securities.

- (h) "**Code**" means the United States Internal Revenue Code of 1986, as amended, and any applicable United States Treasury Regulations and other binding guidance thereunder.
- (i) "**Company**" means Scope Carbon Corp., a company incorporated under the laws of British Columbia.
- (j) "**Deferred Payment Date**" for a Participant means the date after the Restricted Period which is the earlier of (i) the date which the Participant has elected to defer receipt of Restricted Shares in accordance with Section 4.4 of this Restricted Share Plan; and (ii) the Participant's Separation Date.
- (k) "**Deferred Share Unit**" means the agreement by the Company to pay, and the right of the Participant to receive, a Deferred Share Unit Payment for each Deferred Share Unit held, evidenced by way of book-keeping entry in the books of the Company and administered pursuant to this Plan.
- (l) "**Deferred Share Unit Grant Letter**" has the meaning ascribed thereto in Section 5.2 of this Plan.
- (m) "**Deferred Share Unit Payment**" means, subject to any adjustment in accordance with Section 5.5 of this Plan, the issuance to a Participant of one previously unissued Share for each whole Deferred Share Unit credited to such Participant.
- (n) "**Designated Affiliate**" means subsidiaries of the Company designated by the Board from time to time for purposes of this Plan.

- (o) **“Director Retirement”** in respect of a Participant, means the Participant ceasing to hold any directorships with the Company, any Designated Affiliate and any entity related to the Company for purposes of the *Income Tax Act* (Canada) after attaining a stipulated age in accordance with the Company’s normal retirement policy, or earlier with the Company’s consent.
- (p) **“Director Separation Date”** means the date that a Participant ceases to hold any directorships with the Company and any Designated Affiliate due to a Director Retirement or Director Termination and also ceases to serve as an employee or consultant with the Company, any Designated Affiliate. and any entity related to the Company for the purposes of the *Income Tax Act* (Canada).
- (q) **“Director Termination”** means the removal of, resignation or failure to re-elect the Eligible Director (excluding a Director Retirement) as a director of the Company, a Designated Affiliate and any entity related to the Company for purposes of the *Income Tax Act* (Canada).
- (r) **“Effective Date”** means May 16, 2022, being the date upon which this Plan was adopted by the Board.
- (s) **“Eligible Directors”** means the directors of the Company or any Designated Affiliate who are, as such, eligible for participation in this Plan.
- (t) **“Eligible Employees”** means employees (including employees who are officers and directors) of the Company or any Designated Affiliate thereof, whether or not they have a written employment contract with the Company, determined by the Board, as employees eligible for participation in this Plan. Eligible Employees shall include Service Providers eligible for participation in this Plan as determined by the Board.
- (u) **“Exchange”** means such stock exchange or other organized market on which the Shares are principally listed or posted for trading from time to time, as applicable, which such stock exchange may include the Canadian Securities Exchange, the TSX Venture Exchange or any successor entity thereto.
- (v) **“Fair Market Value”** with respect to the Shares as of any date, means the closing market price of the Shares on the trading day prior to such date. Notwithstanding the foregoing, for the purposes of establishing the exercise price per Share of any Option, or the value of any Share underlying a Restricted Share Right or Deferred Share Unit on the grant date, the Fair Market Value means the greater of the closing market price of the Shares on (a) the trading day prior to the date of grant of the applicable Award; and (b) the date of grant of the applicable Award.
- (w) **“Option”** means an option granted under the terms of this Plan.
- (x) **“Option Period”** means the period during which an Option is outstanding.
- (y) **“Option Shares”** has the meaning set forth in Section 3.5 of this Plan.
- (z) **“Optionee”** means an Eligible Employee or Eligible Director to whom an Option has been granted under the terms of this Plan.
- (aa) **“Participant”** means an Eligible Employee or Eligible Director who participates in this Plan.
- (bb) **“Plan”** means this Equity Incentive Plan, as it may be amended and restated from time to time.
- (cc) **“Restricted Period”** means any period of time that a Restricted Share Right is not vested and the Participant holding such Restricted Share Right remains ineligible to receive the

relevant Shares, determined by the Board in its absolute discretion, however, such period of time may be reduced or eliminated from time to time and at any time and for any reason as determined by the Board, including, but not limited to, circumstances involving death or disability of a Participant.

- (dd) **“Retirement”** in respect of an Eligible Employee, means the Eligible Employee ceasing to hold any employment with the Company or any Designated Affiliate after attaining a stipulated age in accordance with the Company’s normal retirement policy, or earlier with the Company’s consent.
- (ee) **“Restricted Share Right”** has such meaning as ascribed to such term at Section 4.1 of this Plan.
- (ff) **“Restricted Share Right Grant Letter”** has the meaning ascribed to such term in Section 4.2 of this Plan.
- (gg) **“Separation Date”** means the date that a Participant ceases to be an Eligible Director or Eligible Employee.
- (hh) **“Service Provider”** means any person or company engaged by the Company or a Designated Affiliate to provide services for an initial, renewable or extended period of 12 months or more.
- (ii) **“Shares”** means the common shares of the Company.
- (jj) **“Specified Employee”** means a U.S. Taxpayer who meets the definition of “specified employee”, as defined in Section 409A(a)(2)(B)(i) of the Code.
- (kk) **“Termination”** means the termination of the employment (or consulting services) of an Eligible Employee with or without cause by the Company or a Designated Affiliate or the cessation of employment (or consulting services) of the Eligible Employee with the Company or a Designated Affiliate as a result of resignation or otherwise, other than the Retirement of the Eligible Employee.
- (ll) **“US Taxpayer”** means a Participant who is a US citizen, US permanent resident or other person who is subject to taxation on their income under the Code.

2.2 Interpretation

- (a) This Plan is created under and is to be governed, construed and administered in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
- (b) Whenever the Board (or Board committee, as the case may be) is to exercise discretion in the administration of the terms and conditions of this Plan, the term **“discretion”** means the sole and absolute discretion of the Board (or Board committee, as the case may be).
- (c) As used herein, the terms **“Part” or “Section”** mean and refer to the specified Part or Section of this Plan, respectively.
- (d) Where the word **“including” or “includes”** is used in this Plan, it means “including (or includes) without limitation”.
- (e) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (f) Unless otherwise specified, all references to money amounts are to Canadian dollars.

PART 3 STOCK OPTIONS

3.1 Participation

The Company may from time to time grant Options to Participants pursuant to this Plan.

3.2 Price

The exercise price per Share of any Option shall be not less than one hundred per cent (100%) of the Fair Market Value.

3.3 Grant of Options

The Board may at any time authorize the granting of Options to such Participants as it may select for the number of Shares that it shall designate, subject to the provisions of this Plan. The date of grant of an Option shall be the date such grant was approved by the Board.

Each Option granted to a Participant shall be evidenced by a stock option agreement with terms and conditions consistent with this Plan and as approved by the Board (and in all cases which terms and conditions need not be the same in each case and may be changed from time to time, subject to Section 7.7 of this Plan, and any required approval of the Exchange or any other exchange or exchanges on which the Shares are then traded, if applicable).

3.4 Terms of Options

The Option Period shall be five years from the date such Option is granted, or such greater or lesser duration as the Board may determine at the date of grant, and may thereafter be reduced with respect to any such Option as provided in Section 3.6 hereof covering termination of employment or death of the Optionee; provided, however, that at any time the expiry date of the Option Period in respect of any outstanding Option under this Plan should be determined to occur either during a Blackout Period or within ten business days following the expiry of the Blackout Period, the expiry date of such Option Period shall be deemed to be the date that is the tenth business day following the expiry of the Blackout Period.

Unless otherwise determined from time to time by the Board, Options shall vest and may be exercised (in each case to the nearest full Share) during the Option Period as follows:

- (a) at any time during the first six months of the Option Period, the Optionee may purchase up to 25% of the total number of Shares reserved for issuance pursuant to his or her Option; and
- (b) at any time during each additional six-month period of the Option Period the Optionee may purchase an additional 25% of the total number of Shares reserved for issuance pursuant to his or her Option plus any Shares not purchased in accordance with the preceding subsection (a) and this subsection until, after the 18th month of the Option Period, 100% of the Option will be exercisable.

Except as set forth in Section 3.6, no Option may be exercised unless the Optionee is at the time of such exercise:

- (a) in the case of an Eligible Employee, in the employ (or retained as a Service Provider) of the Company or a Designated Affiliate and shall have been continuously so employed or retained since the grant of the Option; or
- (b) in the case of an Eligible Director, a director of the Company or a Designated Affiliate and shall have been such a director continuously since the grant of the Option.

The exercise of any Option will be contingent upon the Optionee having entered into an Option agreement with the Company on such terms and conditions as have been approved by the Board and which incorporates by reference the terms of this Plan. The exercise of any Option will, subject to Section 3.5, also be contingent upon receipt by the Company of cash payment of the full purchase price of the Shares being purchased.

3.5 Cashless Exercise Right

Participants have the right (the “**Cashless Exercise Right**”), in lieu of the right to exercise an Option, to terminate such Option in whole or in part by notice in writing delivered by the Participant to the Company electing to exercise the Cashless Exercise Right and, in lieu of receiving the Shares (the “**Option Shares**”) to which such Terminated Option relates, to receive the number of Shares, disregarding fractions, which is equal to the quotient obtained by:

- (a) subtracting the applicable Option exercise price per Share from the Fair Market Value per Share on the business day immediately prior to the exercise of the Cashless Exercise Right and multiplying the remainder by the number of Option Shares; and
- (b) dividing the product obtained under subsection 3.5(a) by the Fair Market Value per Share on the business day immediately prior to the exercise of the Cashless Exercise Right.

If a Participant exercises a Cashless Exercise Right in connection with an Option, it is exercisable only to the extent and on the same conditions that the related Option is exercisable under this Plan.

3.6 Effect of Termination of Employment or Death

If an Optionee:

- (a) dies while employed by a Service Provider to or while a director of the Company or a Designated Affiliate, any Option held by him or her at the date of death shall become exercisable in whole or in part, but only by the person or persons to whom the Optionee’s rights under the Option shall pass by the Optionee’s will or applicable laws of descent and distribution. Unless otherwise determined by the Board, all such Options shall be exercisable only to the extent that the Optionee was entitled to exercise the Option at the date of his or her death and only for 12 months after the date of death or prior to the expiration of the Option Period in respect thereof, whichever is sooner; and
- (b) ceases to be employed by, a Service Provider to, or act as a director of, the Company or a Designated Affiliate for cause, no Option held by such Optionee will, unless otherwise determined by the Board, be exercisable following the date on which such Optionee ceases to be so engaged; provided, however, that if an Optionee ceases to be employed by, a Service Provider to, or act as a director of, the Company or a Designated Affiliate for any reason other than cause then, unless otherwise determined by the Board, any Option held by such Optionee at the effective date thereof shall become exercisable for a period of up to 12 months thereafter or prior to the expiration of the Option Period in respect thereof, whichever is sooner.

3.7 Effect of Takeover Bid

In the event of a Change of Control, unless otherwise determined by the Board, (i) all Options outstanding shall immediately vest and be exercisable; and (ii) all Options that are not otherwise exercised contemporaneously with the completion of the Change of Control will terminate and expire immediately thereafter.

3.8 Effect of Amalgamation or Merger

Subject to Section 3.7, if the Company amalgamates or otherwise completes a plan of arrangement or merges with or into another corporation, any Shares receivable on the exercise of an Option shall be

converted into the securities, property or cash which the Participant would have received upon such amalgamation, arrangement or merger if the Participant had exercised his or her Option immediately prior to the record date applicable to such amalgamation, arrangement or merger, and the option price shall be adjusted appropriately by the Board and such adjustment shall be binding for all purposes of this Plan.

PART 4 RESTRICTED SHARE RIGHTS

4.1 Participants

The Company has the right to grant, in its sole and absolute discretion, to any Participant, rights to receive any number of fully paid and non-assessable Shares ("**Restricted Share Rights**") as a discretionary payment in consideration of past services to the Company or as an incentive for future services, subject to this Plan and with such additional provisions and restrictions as the Board may determine. For purposes of calculating the number of Restricted Share Rights to be granted, the Company shall be obligated to value the Shares underlying such Restricted Share Rights at not less than one hundred per cent (100%) of the Fair Market Value.

4.2 Restricted Share Right Grant Letter

Each grant of a Restricted Share Right under this Plan shall be evidenced by a grant letter (a "**Restricted Share Right Grant Letter**") issued to the Participant by the Company. Such Restricted Share Right Grant Letter shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with this Plan and which the Board deems appropriate for inclusion in a Restricted Share Right Grant Letter. The provisions of the various Restricted Share Right Grant Letters issued under this Plan need not be identical.

4.3 Restricted Period

Concurrent with the determination to grant Restricted Share Rights to a Participant, the Board shall determine the Restricted Period applicable to such Restricted Share Rights. In addition, at the sole discretion of the Board, at the time of grant, the Restricted Share Rights may be subject to performance conditions to be achieved by the Company or a class of Participants or by a particular Participant on an individual basis, within a Restricted Period, for such Restricted Share Rights to entitle the holder thereof to receive the underlying Shares. Upon expiry of the applicable Restricted Period (or on the Deferred Payment Date, as applicable), a Restricted Share Right shall be automatically settled, and without the payment of additional consideration or any other further action on the part of the holder of the Restricted Share Right, the underlying Shares shall be issued to the holder of such Restricted Share Rights, which Restricted Share Rights shall then be cancelled.

4.4 Deferred Payment Date

Participants who are residents of Canada for the purposes of the *Income Tax Act* (Canada) (and for greater certainty, who are not US Taxpayers), may elect to defer to receive all or any part of the Shares underlying Restricted Share Rights until one or more Deferred Payment Dates. Any other Participants may not elect a Deferred Payment Date.

4.5 Prior Notice of Deferred Payment Date

Participants who elect to set a Deferred Payment Date must, in respect of each such Deferred Payment Date, give the Company written notice of the Deferred Payment Date(s) not later than thirty (30) days prior to the expiration of the applicable Restricted Period. For certainty, Participants shall not be permitted to give any such notice after the day which is thirty (30) days prior to the expiration of the Restricted Period and a notice once given may not be changed or revoked. For the avoidance of doubt, the foregoing shall not prevent a Participant from electing an additional Deferred Payment Date, provided, however that notice

of such election is given by the Participant to the Company not later than thirty (30) days prior to the expiration of the subject Restricted Period.

4.6 Retirement or Termination during Restricted Period

In the event and to the extent of the Retirement or Termination and/or, as applicable, the Director Retirement or Director Termination of a Participant from all such roles with the Company during the Restricted Period, any Restricted Share Rights held by the Participant shall immediately terminate and be of no further force or effect; provided, however, that the Board shall have the absolute discretion to modify the grant of the Restricted Share Rights to provide that the Restricted Period shall terminate immediately prior to the date of such occurrence.

4.7 Retirement or Termination after Restricted Period

In the event and to the extent of the Retirement or Termination and/or, as applicable, the Director Retirement or Director Termination of the Participant from all such roles with the Company following the Restricted Period and prior to a Deferred Payment Date, the Participant shall be entitled to receive, and the Company shall issue forthwith, Shares in satisfaction of the Restricted Share Rights then held by the Participant.

4.8 Death or Disability of Participant

In the event of the death or total disability of a Participant, any Shares represented by Restricted Share Rights held by the Participant shall be immediately issued by the Company to the Participant or legal representative of the Participant.

4.9 Payment of Dividends

Subject to the absolute discretion of the Board, in the event that a dividend (other than a stock dividend) is declared and paid by the Company on the Shares, a Participant may be credited with additional Restricted Share Rights. The number of such additional Restricted Share Rights, if any, will be calculated by dividing (a) the total amount of the dividends that would have been paid to the Participant if the Restricted Share Rights (including Restricted Share Rights in which the Restricted Period has expired but the Shares have not been issued due to a Deferred Payment Date) in the Participant's account on the dividend record date had been outstanding Shares (and the Participant held no other Shares) by (b) the Fair Market Value of the Shares on the date on which such dividends were paid.

4.10 Change of Control

In the event of a Change of Control, all Restricted Share Rights outstanding shall vest immediately and be settled by the issuance of Shares notwithstanding the Restricted Period and any Deferred Payment Date.

PART 5 DEFERRED SHARE UNITS

5.1 Deferred Share Unit Grants

The Board may from time to time determine to grant Deferred Share Units to one or more Eligible Directors in a lump sum amount or on regular intervals, based on such formulas or criteria as the Board may from time to time determine. Deferred Share Units will be credited to the Eligible Director's account when designated by the Board. For purposes of calculating the number of Deferred Share Units to be granted, the Company shall be obligated to value the Shares underlying such Deferred Share Units at not less than one hundred per cent (100%) of the Fair Market Value.

5.2 Deferred Share Unit Grant Letter

Each grant of a Deferred Share Unit under this Plan shall be evidenced by a grant letter (a "**Deferred Share Unit Grant Letter**") issued to the Eligible Director by the Company. Such Deferred Share Unit Grant Letter

shall be subject to all applicable terms and conditions of this Plan and may be subject to any other terms and conditions (including without limitation any recoupment, reimbursement or claw-back compensation policy as may be adopted by the Board from time to time) which are not inconsistent with this Plan and which the Board deems appropriate for inclusion in a Deferred Share Unit Grant Letter. The provisions of Deferred Share Unit Grant Letters issued under this Plan need not be identical.

5.3 Redemption of Deferred Share Units and Issuance of Deferred Shares

The Deferred Share Units held by each Eligible Director who is not a US Taxpayer shall be redeemed automatically and with no further action by the Eligible Director on the 20th business day following the Separation Date for that Eligible Director. For US Taxpayers, Deferred Share Units held by an Eligible Director who is a Specified Employee will be automatically redeemed with no further action by the Eligible Director on the date that is six months following the Separation Date for the Eligible Director, or if earlier, upon such Eligible Director's death. Upon redemption, the former Eligible Director shall be entitled to receive and the Company shall issue, the number of Shares issued from treasury equal to the number of Deferred Share Units in the Eligible Director's account, subject to any applicable deductions and withholdings. In the event a Separation Date occurs during a year and Deferred Share Units have been granted to such Eligible Director for that entire year, the Eligible Director will only be entitled to a pro-rated Deferred Share Unit Payment in respect of such Deferred Share Units based on the number of days that he or she was an Eligible Director in such year.

No amount will be paid to, or in respect of, an Eligible Director under this Plan or pursuant to any other arrangement, and no other additional Deferred Share Units will be granted to compensate for a downward fluctuation in the value of the Shares of the Company nor will any other benefit be conferred upon, or in respect of, an Eligible Director for such purpose.

5.4 Death of Participant

In the event of the death of an Eligible Director, the Deferred Share Units shall be redeemed automatically and with no further action on the 20th business day following the death of an Eligible Director.

5.5 Payment of Dividends

Subject to the absolute discretion of the Board, in the event that a dividend (other than a stock dividend) is declared and paid by the Company on the Shares, an Eligible Director may be credited with additional Deferred Share Units. The number of such additional Deferred Share Units, if any, will be calculated by dividing (a) the total amount of the dividends that would have been paid to the Eligible Director if the Deferred Share Units in the Eligible Director's account on the dividend record date had been outstanding Shares (and the Eligible Director held no other Shares), by (b) the Fair Market Value of the Shares on the date on which such dividends were paid.

PART 6 WITHHOLDING TAXES

6.1 Withholding Taxes

The Company or any Designated Affiliate may take such steps as are considered necessary or appropriate for the withholding of any taxes or other amounts which the Company or any Designated Affiliate is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Award including, without limiting the generality of the foregoing, the withholding of all or any portion of any payment or the withholding of the issue of any Shares to be issued under this Plan, until such time as the Participant has paid the Company or any Designated Affiliate for any amount which the Company or Designated Affiliate is required to withhold by law with respect to such taxes or other amounts. Without limitation to the foregoing, the Board may adopt administrative rules under this Plan, which provide for the automatic sale of Shares (or a portion thereof) in the market upon the issuance of such Shares under this Plan on behalf of the Participant to satisfy withholding obligations under an Award.

PART 7 GENERAL

7.1 Number of Shares

The aggregate number of Shares that may be issued under this Plan (together with any other securities-based compensation arrangements of the Company in effect from time to time), shall not exceed 10% of the outstanding issue from time to time, such Shares to be allocated among Awards and Participants in amounts and at such times as may be determined by the Board from time to time.

For the purposes of this Section 7.1, "outstanding issue" means the total number of Shares, on a non-diluted basis, that are issued and outstanding immediately prior to the date that any Shares are issued or reserved for issuance pursuant to an Award.

7.2 Lapsed Awards

If Awards are surrendered, terminated or expire without being exercised in whole or in part, new Awards may be granted covering the Shares not issued under such lapsed Awards, subject to any restrictions that may be imposed by the Exchange, including, without limitation, the restriction that if an Option is cancelled prior to its expiry date, the Company shall post notice of the cancellation and shall not grant new Options to the same Participant until 30 days have elapsed from the date of cancellation.

7.3 Adjustment in Shares Subject to this Plan

If there is any change in the Shares through the declaration of stock dividends of Shares, through any consolidations, subdivisions or reclassification of Shares, or otherwise, the number of Shares available under this Plan, the Shares subject to any Award, and the exercise price of any Option shall be adjusted as determined to be appropriate by the Board, and such adjustment shall be effective and binding for all purposes of this Plan.

7.4 Transferability

Any Awards accruing to any Participant in accordance with the terms and conditions of this Plan shall not be transferable unless specifically provided herein. During the lifetime of a Participant all Awards may only be exercised by the Participant. Awards are non-transferable except by will or by the laws of descent and distribution.

7.5 Employment

Nothing contained in this Plan shall confer upon any Participant any right with respect to employment or continuance of employment with the Company or any Affiliate, or interfere in any way with the right of the Company or any Affiliate to terminate the Participant's employment at any time. Participation in this Plan by a Participant is voluntary.

7.6 Record Keeping

The Company shall maintain a register in which shall be recorded:

- (a) the name and address of each Participant;
- (b) the number of Awards granted to each Participant and relevant details regarding such Awards; and
- (c) such other information as the Board may determine.

7.7 Amendments to Plan

The Board shall have the power to, at any time and from time to time, either prospectively or retrospectively, amend, suspend or terminate this Plan or any Award granted under this Plan without shareholder approval, including, without limiting the generality of the foregoing: changes of a clerical or grammatical nature, changes regarding the persons eligible to participate in this Plan, changes to the exercise price, vesting, term and termination provisions of the Award, changes to the cashless exercise right provisions, changes to the authority and role of the Board under this Plan, and any other matter relating to this Plan and the Awards that may be granted hereunder, provided however that:

- (a) such amendment, suspension or termination is in accordance with applicable laws and the rules of any stock exchange on which the Shares may be listed;
- (b) no amendment to this Plan or to an Award granted hereunder will have the effect of impairing, derogating from or otherwise adversely affecting the terms of an Award which is outstanding at the time of such amendment without the written consent of the holder of such Award;
- (c) the terms of an Option will not be amended once issued; and
- (d) the expiry date of an Option Period in respect of an Option shall not be more than ten years from the date of grant of an Option except as expressly provided in Section 3.4.

If this Plan is terminated, the provisions of this Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any Award or any rights pursuant thereto remain outstanding and, notwithstanding the termination of this Plan, the Board shall remain able to make such amendments to this Plan or the Award as they would have been entitled to make if this Plan were still in effect.

7.8 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of this Plan.

7.9 Section 409A

It is intended that any payments under this Plan to US Taxpayers shall be exempt from or comply with Section 409A of the Code, and all provisions of this Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes and penalties under Section 409A of the Code.

7.10 Compliance with Applicable Law, etc.

If any provision of this Plan or any agreement entered into pursuant to this Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body or stock exchange having authority over the Company or this Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

7.11 Term of the Plan

This Plan shall remain in effect until it is terminated by the Board.

PART 8 PARTS ADMINISTRATION OF THIS PLAN

8.1 Administration by the Board

- (a) Unless otherwise determined by the Board, this Plan shall be administered by the Board or a Board committee designated by the Board.

- (b) The Board (or Board committee, as the case may be) shall have the power, where consistent with the general purpose and intent of this Plan and subject to the specific provisions of this Plan, to:
 - (i) adopt and amend rules and regulations relating to the administration of this Plan and make all other determinations necessary or desirable for the administration of this Plan. The interpretation and construction of the provisions of this Plan and related agreements by the Board (or Board committee, as the case may be) shall be final and conclusive. The Board (or Board committee, as the case may be) may correct any defect or supply any omission or reconcile any inconsistency in this Plan or in any related agreement in the manner and to the extent it shall deem expedient to carry this Plan into effect and it shall be the sole and final judge of such expediency;
 - (ii) determine and designate from time to time the individuals to whom Awards shall be made, the amounts of the Awards and the other terms and conditions of the Awards;
 - (iii) delegate any of its responsibilities or powers under this Plan to a Board committee; and
 - (iv) otherwise exercise the powers under this Plan as set forth herein.