



**HYDREIGHT TECHNOLOGIES INC.**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS**

to be held on September 19, 2025

**2025 NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR**

Dated: August 8, 2025

**HYDREIGHT TECHNOLOGIES INC.  
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**To be held on Friday, September 19, 2025**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (the “**Meeting**”) of shareholders of Hydreight Technologies Inc. (the “**Company**”) will be virtually held online on Friday, September 19, 2025 at 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited consolidated financial statements of the Company for the year ended December 31, 2024 with the auditor's report thereon;
2. to set the number of directors of the Company for the ensuing year at five;
3. to elect five directors for the ensuing year;
4. to appoint MNP LLP, Chartered Professional Accountants, as the auditor of the Company for the ensuing year and to authorize the directors to fix the auditor's remuneration;
5. to reconfirm the Company's fixed equity incentive plan (as amended by Amendment No. 1) by approving the unallocated securities that may be granted thereunder; and
6. to transact such other business as may properly come before the meeting or any adjournment thereof.

All matters set forth above for consideration at the Meeting are more particularly described in the accompanying management information circular (“**Information Circular**”).

The Company is using the notice and access provisions (“**Notice and Access**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* for the delivery of its Information Circular to its shareholders for the Meeting. Under Notice and Access, instead of receiving paper copies of the Information Circular, shareholders will be receiving a Notice and Access notification with information on how they may obtain a copy of the Information Circular electronically or request a paper copy. Registered shareholders will still receive a Proxy form enabling them to vote at the Meeting. The use of the alternative Notice and Access procedures in connection with the Meeting is an environmentally responsible and cost-effective way to deliver Meeting materials to the Company's shareholders. The Company will arrange to mail paper copies of the Information Circular to those registered and beneficial shareholders who have existing instructions on their account to receive paper copies of the Company's meeting materials.

The Information Circular and other Meeting materials will be available on the Company's website at <https://hydreight.com/investors/> as of August 19, 2025, and will remain on the website for one full year thereafter. Meeting materials are also available upon request, without charge from our transfer agent, Odyssey Trust Company, via <https://odysseytrust.com/ca-en/help> or by phone at 1-888-290-1175 (toll-free within North America) or 1-587-885-0960 (direct from outside North America), or can be accessed online on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), as of August 19, 2025.

Only shareholders of record at the close of business on August 1, 2025, will be entitled to receive notice of, and to vote at, the Meeting or any adjournment thereof. Shareholders who are unable to or who do not wish to attend the Meeting virtually are requested to date and sign the enclosed Proxy form promptly and return it in the self addressed envelope enclosed for that purpose or by any of the other methods indicated in the Proxy form. To be used at the Meeting, proxies must be received by Odyssey Trust Company, Proxy Department, Trader's Bank Building, 702, 67 Yonge Street, Toronto, Ontario M5E 1J8 by 10:00 a.m. (Vancouver time) on September 17, 2025 or, if the Meeting is adjourned, by 10:00 a.m. (Vancouver time), on the second last business day prior to the date on which the Meeting is reconvened, or may be accepted by the chairman of the Meeting prior to the commencement of the Meeting. Alternatively, a shareholder may vote his or her proxy online at <https://login.odysseytrust.com/pxlogin>. All proxy and voting-related questions can be sent to our transfer agent, Odyssey Trust Company via [proxy@odysseytrust.com](mailto:proxy@odysseytrust.com). If a registered shareholder receives more than one Proxy form because such shareholder owns shares registered in different names or addresses, each Proxy form should be completed and returned.

Dated as of the 8th day of August, 2025.

**BY ORDER OF THE BOARD**

“Shane Madden”

Shane Madden  
Chief Executive Officer

# HYDREIGHT TECHNOLOGIES INC.

## ANNUAL GENERAL MEETING OF SHAREHOLDERS

### INFORMATION CIRCULAR

#### GENERAL INFORMATION

This Information Circular is furnished to the holders (“**shareholders**”) of common shares (“**Common Shares**”) of Hydreight Technologies Inc. (the “**Company**”) by management of the Company in connection with the solicitation of proxies to be voted at the annual general meeting (the “**Meeting**”) of the shareholders to be virtually held online (<https://us06web.zoom.us/j/89512554539>) on Friday, September 19, 2025 at 10:00 a.m. (Vancouver time) and at any adjournment thereof, for the purposes set forth in the accompanying Notice of Meeting.

#### VOTING INFORMATION

##### Solicitation of Proxies

**The enclosed Proxy is solicited by and on behalf of management of the Company.** The persons named in the enclosed Proxy form are management designated proxyholders. A registered shareholder desiring to appoint some other person (who need not be a shareholder) to represent the shareholder at the Meeting may do so either by inserting such other person’s name in the blank space provided in the Proxy form or by completing another form of proxy. To be used at the Meeting, proxies must be received by Odyssey Trust Company, (“**Odyssey**”) Proxy Department, Trader’s Bank Building, 702, 67 Yonge Street, Toronto, Ontario M5E 1J8 by 10:00 a.m. (Vancouver time) on September 17, 2025 or, if the Meeting is adjourned, by 10:00 a.m. (Vancouver time), on the second last business day prior to the date on which the Meeting is reconvened, or may be accepted by the chairman of the Meeting prior to the commencement of the Meeting. Alternatively, a shareholder may vote his or her proxy online at <https://login.odysseytrust.com/pxlogin>. All proxy and voting-related questions can be sent to our transfer agent, Odyssey Trust Company via [proxy@odysseytrust.com](mailto:proxy@odysseytrust.com). Solicitation will be primarily by mail and via electronic transmissions, but some proxies may be solicited personally or by telephone by regular employees or directors of the Company at a nominal cost. All costs of this solicitation will be borne by the Company.

##### Voting at the Meeting

Registered shareholders may vote at the Meeting, as further described below. See “*How do I attend and participate at the Meeting?*”.

Beneficial shareholders who have not duly appointed themselves as proxyholder will not be able to attend, participate or vote at the Meeting. This is because the Company and its transfer agent do not have a record of the beneficial shareholders of the Company, and, as a result, will have no knowledge of your shareholdings or entitlement to vote, unless you appoint yourself as proxyholder. If you are a beneficial shareholder and wish to vote at the Meeting, you have to appoint yourself as proxyholder, by inserting your own name in the space provided on the voting instruction form sent to you and must follow all of the applicable instructions provided by your intermediary. See “*How do I attend and participate at the Meeting?*”.

##### Legal Proxy – U.S. Beneficial Shareholders

If you are a beneficial shareholder located in the United States and wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as your proxyholder, in addition to the steps described above and below under “*How do I attend and participate at the Meeting?*”, you must obtain a valid legal proxy from your intermediary. Follow the instructions from your intermediary included with the legal proxy form and the voting information form sent to you, or contact your intermediary to request a legal proxy form or a legal proxy if you have not received one. After obtaining a valid legal proxy from your intermediary, you must then submit such legal proxy to Odyssey. Requests for registration from beneficial shareholders located in the United States that wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as their proxyholder must be sent by e-mail to [appointee@odysseytrust.com](mailto:appointee@odysseytrust.com) and received by 10:00 a.m. (Vancouver time) on September 17, 2025.

##### How do I attend and participate at the Meeting?

The Company is holding the Meeting as a completely virtual meeting, which will be conducted via live webcast. Shareholders will not be able to attend the Meeting in person.

Registered shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at <https://us06web.zoom.us/j/89512554539>.

## Notice and Access Process

The Company has decided to take advantage of the notice-and-access provisions ("**Notice and Access**") under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") for the delivery of the Information Circular to its shareholders for the Meeting. The Company has adopted this process to further its commitment to environmental sustainability and to reduce its printing and mailing costs.

Under Notice and Access, instead of receiving printed copies of the Information Circular, shareholders receive a notice ("**Notice and Access Notification**") with information on the Meeting date, location and purpose, as well as information on how they may access the Information Circular electronically or request a paper copy. The Company will arrange to mail paper copies of the Information Circular to those registered and beneficial shareholders who have existing instructions on their account to receive paper copies of the Company's proxy related materials.

Shareholders who receive a Notice and Access Notification can request that printed copies of the Meeting Materials be sent to them by postal delivery at no cost to them up to one year from the date of the filing of this Information Circular on SEDAR+. Shareholders with questions about the Notice and Access system, or who would like to request printed copies of the Meeting Materials, should contact Odyssey via <https://odysseytrust.com/ca-en/help> or by phone at 1-888-290-1175 (toll-free within North America) or 1-587-885-0960 (direct from outside North America). A request for printed copies which are required in advance of the Meeting should be made no later than September 12, 2025, in order to allow sufficient time for mailing.

## Non-Registered Holders

Only registered holders of Common Shares or the persons they appoint as their proxyholders are permitted to vote at the Meeting. In many cases, however, Common Shares beneficially owned by a holder (a "**Non-Registered Holder**") are registered either:

- (a) in the name of an Intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self administered RRSPs, RRIFs, RESPs 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.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as "NOBOs". Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as "OBOs".

In accordance with the requirements of NI 54-101, the Company has elected to send the Notice and Access Notification in connection with the Meeting indirectly to Non-Registered Holders.

The Intermediaries (or their service companies) are responsible for forwarding the Notice and Access Notification to each OBO, unless the OBO has waived the right to receive proxy related materials from the Company. Intermediaries will frequently use service companies to forward proxy related materials to the OBOs. Generally, an OBO who has not waived the right to receive proxy related materials will either:

- (a) 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 OBO and must be completed, but not signed, by the OBO and deposited with Odyssey; or
- (b) more typically, be given a voting instruction form ("**VIF**") which is not signed by the Intermediary, and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow.

The Company will not be paying for Intermediaries to deliver to OBOs (who have not otherwise waived their right to receive proxy-related materials) copies of proxy related materials and related documents (including the Notice and Access Notification). Accordingly, an OBO will not receive copies of proxy related materials and related documents unless the OBO's Intermediary assumes the costs of delivery.

The Notice and Access Notification and any proxy related materials sent to NOBOs who have not waived the right to receive proxy related materials are accompanied by a VIF, instead of a proxy form. By returning the VIF in accordance with the instructions noted on it, a NOBO is able to instruct the voting of the Common Shares owned by the NOBO.

VIFs, whether provided by the Company or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF. The purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Common Shares which they beneficially own. Should a Non-Registered Holder who receives a VIF wish to attend the Meeting or have someone else attend on the Non-Registered Holder's behalf, the Non-Registered Holder may request a legal proxy as set forth in the VIF, which will grant the Non-Registered Holder, or the Non-Registered Holder's nominee, the right to attend and vote at the Meeting.

**Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies, including instructions regarding when and where the voting instruction form or Proxy form is to be delivered.**

### **Revocability of Proxies**

A registered shareholder who has given a Proxy may revoke it by an instrument in writing that is:

- (a) executed by the shareholder giving same or by the shareholder's attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and
- (b) delivered either to the registered office of the Company (Suite 401, 750 West Pender Street, Vancouver, British Columbia V6C 2T7) at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or to the chairman of the Meeting on the day of the Meeting or any adjournment thereof before any vote in respect of which the Proxy is to be used shall have been taken,

or in any other manner provided by law.

Non-Registered Holders who wish to revoke a voting instruction form or a waiver of the right to receive proxy-related materials should contact their Intermediaries for instructions.

### **Voting of Proxies**

Common Shares represented by a shareholder's Proxy form will be voted or withheld from voting in accordance with the shareholder's instructions on any ballot that may be called for at the Meeting and, if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. **In the absence of any instructions, the management designated proxyholder named on the Proxy form will cast the shareholder's votes in favour of the passage of the resolutions set forth herein and in the Notice of Meeting.**

The enclosed Proxy form confers discretionary authority upon the persons named therein with respect to (a) amendments or variations to matters identified in the Notice of Meeting, and (b) other matters which may properly come before the Meeting or any adjournment thereof. At the time of printing of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting.

### **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

The Common Shares carry voting rights at the Meeting with each Common Share carrying the right to one vote. The board of directors of the Company (the "**Board**") has fixed August 1, 2025 as the record date ("**Record Date**") for the determination of shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment thereof, and only

shareholders of record at the close of business on that date are entitled to such notice and to vote at the Meeting. As of the Record Date, 46,155,827 Common Shares were issued and outstanding as fully paid and non assessable.

To the knowledge of the directors and executive officers of the Company, as at the Record Date, no person beneficially owned, or controlled or directed, directly or indirectly, shares carrying 10% or more of the voting rights attached to the Company's issued and outstanding Shares, other than disclosed below:

Name	Number of Common Shares	Percentage of Outstanding Common Shares <sup>(1)</sup>
Victory Square Technologies Inc. ("VST")	25,933,181 <sup>(2)</sup>	56.19% <sup>(3)</sup>

Notes:

(1) Based on 46,155,827 Common Shares issued and outstanding as of August 1, 2025.

(2) This information obtained from SEDI (System for Electronic Disclosure by Insiders) on August 1, 2025. 11,158,733 common shares remain in escrow under the escrow agreement dated November 28, 2022.

(3) Percentage rounded to two decimal places.

### VOTES NECESSARY TO PASS RESOLUTIONS AT THE MEETING

Under the Company's articles (the "**Articles**"), the quorum for the transaction of business at the Meeting is one or more persons present and being, or representing by proxy, two or more shareholders entitled to attend and vote at the Meeting. Under the *Business Corporations Act* (British Columbia) and the Company's Articles, a simple majority of the votes cast at the Meeting (in person or by proxy) is required in order to pass the resolutions referred to in the accompanying Notice of Meeting.

### APPOINTMENT OF AUDITOR

MNP LLP, Chartered Professional Accountants ("**MNP LLP**"), has been the independent registered certified auditor of the Company since November 28, 2022.

At the Meeting, Shareholders will be asked to approve the appointment of MNP LLP, located at 1021 Hastings Street West, Suite 2200, Vancouver, British Columbia, V6E 0C3, as the auditor of the Company until the next annual general meeting of the Shareholders, or until a successor is appointed, at a remuneration to be fixed by the Board. See "*Audit Committee Disclosure – External Auditor Service Fees (By Category)*".

**The Board recommends that the Shareholders vote for the appointment of MNP LLP, as the auditor of the Company, at a remuneration to be fixed by the Board.**

**Unless such authority is withheld, the management-designated proxyholders named in the enclosed Proxy form intend to vote for the appointment of MNP LLP, as the auditor of the Company to hold office until the next annual general meeting of shareholders of the Company, at a remuneration fixed by the Board.**

### ELECTION OF DIRECTORS

The shareholders of the Company last fixed the number of directors of the Company at six. After the last annual general meeting held on September 27, 2024, Alexandros Tziliis ceased to be a director of the Company on May 5, 2025, and was replaced by Jeremy Roebuck. Gabriel Kabazo ceased to be a director of the Company on August 8, 2025. At the Meeting, shareholders will be asked to fix the number of directors at five. The persons named below are the five nominees of management for election as directors, all of whom are current directors of the Company. Each nominee elected will hold office as a director until the next annual general meeting or until the director's successor is elected or appointed unless the director's office is earlier vacated under any of the relevant provisions of the Articles of the Company or the *Business Corporations Act* (British Columbia). It is the intention of the persons named as proxyholders in the enclosed Proxy form to vote for the election to the Board of those persons hereinafter designated as nominees for election as directors. The Board does not contemplate that any of such nominees will be unable to serve as a director; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion unless the shareholder has specified in such shareholder's Proxy that such shareholder's Common Shares are to be withheld from voting in the election of directors.

Pursuant to the Advance Notice Provisions contained in the Articles of the Company, any additional director nominations for the Meeting must have been received by the Company in accordance with the provisions of the Articles. The Company did not receive notice of any director nominations in connection with the Meeting within the time periods prescribed by the Articles. Accordingly, at the Meeting, the only persons eligible to be nominated for election to the Board are the nominees set forth below.

The following table sets out the name of each of the persons proposed to be nominated for election as a director; all positions and offices in the Company presently held by him or her; his or her present principal occupation, business or employment (and, in the case of Jeremy Roebuck, who is being nominated for election as a director of the Company at a shareholders' meeting of the Company for the first time, also his principal occupation and employment for at least the last five years); the period during which he or she has served as a director; and the number of Common Shares that he or she has advised are beneficially owned, or controlled or directed, directly or indirectly, as at the Record Date.

Name, place of residence and positions with the Company	Principal occupation, business or employment	Period served as a director	Common Shares beneficially owned or controlled <sup>(1)</sup>
<b>Shane Madden</b> <i>Nevada, U.S.A.</i> CEO and Director	Founder and President, IV Hydrecht Inc. (Nov 2017 – Present); CEO and director, Hydrecht Technologies Inc. (Nov 2022 – Present)	Since November 28, 2022	476,190
<b>Carey Dillen</b> <sup>(2)(3)</sup> British Columbia, Canada Director	CEO, Snore MD Inc. (March 2024 – Present), Self-employed strategic consultant (August 2022 – Feb 2024); President & CEO, Afterglow Skin & Laser Centres Inc. (Sept 2021 – July 2022); President, Pure Freedom YYOGA Wellness Inc. (Feb 2013 – August 2021)	Since November 28, 2022	201,500
<b>Joseph Palumbo</b> <i>Ohio, U.S.A.</i> Director	CEO, LocumTele, LLC (Dec 2019 – Present); Physician, JM Medical Enterprises (Dec 2010 – Present)	Since November 28, 2022	187,500
<b>Shafin Diamond Tejani</b> <sup>(2)</sup> British Columbia, Canada Director	Chief Executive Officer & Founder, Victory Square Labs Inc. (Sept 2008 – Present); CEO, President, a director, VST (August 2015 – Present)	Since November 29, 2018	7,730
<b>Jeremy Roebuck</b> <sup>(2)</sup> Texas, U.S.A. Director	Self-employed in private practice at Southeast Texas Ear, Nose & Throat, LLP (2007 – Present); Owner and Medical Director of The MedSpa	Since May 5, 2025	75,000

Notes:

- (1) Individual directors have furnished information as to Common Shares beneficially owned, controlled or directed, directly or indirectly, by such director. The Company has relied on this information for purposes of this disclosure.
- (2) Member of the Audit Committee.
- (3) Ms. Dillen serves as Chair of the Audit Committee.

**The Board recommends that the Shareholders vote for the election of the nominees whose names are set forth above.**

**Unless such authority is withheld, the management-designated proxyholders named in the enclosed Proxy form intend to vote for the election of the nominees whose names are set forth above.**

### Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as disclosed herein, none of the proposed directors is, as at the date of this Information Circular, or has been, within the ten years preceding the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade or similar 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 (collectively, an “**Order**”), when such Order was issued while the person was acting in the capacity of a director, chief executive officer or chief financial officer of the relevant company; or

- (b) was subject to an Order that was issued after such person ceased to be a director, chief executive officer or chief financial officer of the relevant company, and which resulted from an event that occurred while the person was acting in the capacity of a director, chief executive officer or chief financial officer of the relevant company.

Shafin Diamond Tejani, is a director of the Company. On August 6, 2019, the British Columbia Securities Commission (the “**BCSC**”) issued a cease trade order against Victory Square Technologies (CSE: VST) (“**VST**”) where Mr. Tejani serves as a director and CEO, for failure of VST to file its audited financial statements and management’s discussion & analysis and related certifications for the year ended December 31, 2018, and interim financial statements and management’s discussion and analysis for the period ended March 31, 2019, and related certifications. VST filed the outstanding materials and the cease trade order was revoked by the BCSC on August 23, 2019. On May 4, 2022, the BCSC issued a management cease trade order against VST for failure of VST to file its audited financial statements and management’s discussion & analysis for the year ended December 31, 2021. VST filed the outstanding materials and the management cease trade order was revoked by the BCSC on June 7, 2022. On May 1, 2025, the BCSC issued a management cease trade order against VST for failure of VST to file its audited financial statements, management’s discussion & analysis and related certifications for the year ended December 31, 2024. VST filed the outstanding materials which also included the interim financial statements, management’s discussion and analysis and related certifications for the period ended March 31, 2025, and the management cease trade order was revoked by the BCSC on July 10, 2025.

Shafin Diamond Tejani and Carey Dillen are directors of the Company. On May 2, 2023, the BCSC issued a cease trade order against GameOn Entertainment Technologies Inc. (CSE: GET) (“**GameOn**”) where Mr. Tejani and Ms. Dillen serve as directors, for failure of GameOn to file its audited financial statements and management’s discussion & analysis and related certifications for the year ended December 31, 2022, and interim financial statements and management’s discussion and analysis for the period ended March 31, 2022, and related certifications. GameOn filed the outstanding materials and the cease trade order was revoked by the BCSC on July 10, 2023. On April 30, 2024, the BCSC issued a management cease trade order against GameOn for failure of GameOn to file its audited financial statements, management’s discussion & analysis and related certifications for the year ended December 31, 2023. GameOn filed the outstanding materials which also included the interim financial statements, management’s discussion and analysis and related certifications for the period ended March 31, 2024, and the management cease trade order was revoked by the BCSC on July 22, 2024. On December, 2024, the BCSC issued a cease trade order against GameOn for failure of GameOn to file its interim financial statements, management’s discussion and analysis for the period ended September 30, 2024 and related certifications (the “**GameOn CTO**”). As at the date of this Circular, the GameOn CTO is still in effect. Ms. Dillen resigned as a director of GameOn effective April 21, 2025.

Shafin Diamond Tejani is a director of the Company. On May 2, 2023, the BCSC issued a cease trade order against XR Immersive Tech Inc. (CSE: VRAR) (“**Immersive**”) where Mr. Tejani serves as a director, for failure of Immersive to file its audited financial statements and management’s discussion & analysis and related certifications for the year ended December 31, 2022, and interim financial statements and management’s discussion and analysis for the period ended March 31, 2022, and related certifications. Immersive filed the outstanding materials and the cease trade order was revoked by the BCSC on July 27, 2023. On May 1, 2025, the BCSC issued a management cease trade order against Immersive for failure of Immersive to file its audited its audited financial statements. management’s discussion & analysis and related certifications for the year ended December 31, 2024. On July 15, 2025, the BCSC issued a cease trade order against Immersive for failure of Immersive to file its audited financial statements, management’s discussion & analysis and related certifications for the year ended December 31, 2024, and interim financial statements, management’s discussion and analysis for the period ended March 31, 2025 and related certifications (the “**Immersive CTO**”). As at the date of this Circular, the Immersive CTO is still in effect.

Other than as disclosed herein, no proposed director is, as at the date of this Information Circular, or has been, within the ten years preceding the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director has, within the ten years preceding 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 that person.



No proposed director has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

## **CORPORATE GOVERNANCE DISCLOSURE**

The following description of the corporate governance practices of the Company is provided further to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and the disclosure prescribed for “Venture Issuers” such as the Company.

### **Board of Directors**

The Board of Directors currently consists of five directors, three of whom, Carey Dillen, Shafin Tejani and Jeremy Roebuck, are considered independent. Shane Madden is not considered independent as Mr. Madden is the Chief Executive Officer of the Company. Joseph Palumbo is not considered independent as he is a party to the Medical Consultation Agreement (defined herein).

If the existing directors of the Company are elected as proposed under “*Election of Directors*”, following the Meeting, the Company will have three independent directors (Carey Dillen, Shafin Tejani and Jeremy Roebuck) and two directors who are not considered independent (Shane Madden and Joseph Palumbo). With the advice of legal counsel, the Board will evaluate situations on a case-by-case basis to determine whether the exercise of independent judgement is appropriate or necessary under the circumstances. If deemed necessary or appropriate by the Board, the Board may appoint such special committees comprised of independent directors to consider any particular matter or transaction.

### **Directorships**

The existing and proposed directors of the Company who are presently directors of other reporting issuers in Canada or elsewhere are as set out below:

<b>Director/Proposed Director</b>	<b>Name of Reporting Issuer</b>	<b>Exchange or Market</b>	<b>Position</b>	<b>From</b>	<b>To</b>
<b>Shafin Diamond Tejani</b>	Victory Square Technologies Inc.	Canadian Securities Exchange, OTCQX	Director	Aug 31, 2015	Present
	GameOn Entertainment Technologies Inc.	Canadian Securities Exchange, OTCQB	Director	Jan 14, 2021	Present
	XR Immersive Tech Inc.	Canadian Securities Exchange, OTCQB	Director	Sept 1, 2022	Sept 30, 2024
<b>Carey Dillen</b>	GameOn Entertainment Technologies Inc.	Canadian Securities Exchange, OTCQB	Director	Feb 24, 2021	April 21, 2025

### **Orientation and Continuing Education**

The Company has not adopted a formalized process of orientation for new Board members. Orientation of new directors is conducted on an *ad hoc* basis.

Each new director of the Company is briefed about the nature of the Company’s business, its corporate strategy and current issues within the Company and directors are kept informed as to matters impacting, or which may impact, the Company’s operations through reports and presentations at Board meetings. New directors are encouraged to review the Company’s public disclosure records as filed on SEDAR+ (<https://www.sedarplus.ca>). Directors are also provided with access to

management to better understand the operations of the Company, and to the Company's legal counsel to discuss their legal obligations as directors of the Company.

### **Ethical Business Conduct**

The Board is apprised of the activities of the Company and ensures that it conducts such activities in an ethical manner. The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to consultants, officers and directors to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary actions for violations of ethical business conduct.

The Board is also required to comply with the conflict of interest provisions of the Act and relevant securities regulation in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director is required to declare the nature and extent of his interest and is not entitled to vote on any matter that is the subject of the conflict of interest.

### **Nomination of Directors**

The Company's management and Board members are in contact with individuals involved in the Company's line of business. From these sources, a number of contacts have been established and in the event that the Company requires any new directors, such individuals will be brought to the attention of the Board. The Company will conduct reference and background checks on suitable candidates. New nominees generally must have a track record in business management, areas of strategic interest to the Company, the ability to devote the time required to carry out the obligations and responsibilities of a director and a willingness to serve in that capacity.

According to the Company's Articles, the Company must receive advance notice of nominations of directors by shareholders. The purpose of the advance notice provision is to provide shareholders, directors and management of the Company with direction on the procedure for shareholder nomination of directors. The advance notice provision is the framework by which the Company seeks to fix a deadline by which holders of record of Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

### **Compensation**

The Company pays a cash compensation to certain directors and grant certain equity incentive securities or acting as directors. The quantity and quality of the Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current Board compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company. The number of equity incentive securities to be granted and the amount of cash compensation to be paid to any director or officer is determined by the Board as a whole, thereby providing the independent directors with significant input into compensation decisions. Given the current size and limited scope of operations of the Company, the Board does not believe that a formal compensation committee is required. At such time as, in the opinion of the Board, the size and activities of the Company and the number of management employees warrants it, the Board will consider it necessary to appoint a formal compensation committee. See "*Director and Named Executive Officer Compensation – Oversight and Description of Director and NEO Compensation*".

### **Other Board Committees**

The Company has no other committees other than the Audit Committee.

### **Assessments**

The Board has not, as yet, established procedures to formally review the contributions of individual directors. The Board annually reviews its own performance and effectiveness as well as reviews the Audit Committee Charter and recommends revisions as necessary. Neither the Company nor the Board has adopted formal procedures to regularly assess the Board, the Audit Committee or the individual directors as to their effectiveness and contribution. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by the other Board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committees.

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practice allows the Company to operate efficiently, with checks and balances that control and monitor management and corporate functions without excessive administrative burden.

## AUDIT COMMITTEE DISCLOSURE

Pursuant to the *Business Corporations Act* (British Columbia) and NI 52-110, the Company is required to have an audit committee.

### Audit Committee Charter

Pursuant to NI 52-110, the Company's audit committee is required to have a charter. A copy of the Company's Audit Committee Charter is set out in Appendix "A" to this Information Circular.

### Composition of the Audit Committee

As at the date of this Information Circular, the following is information on the members of the Company's Audit Committee:

Name	Independent	Financial Literacy
Carey Dillen (Chair)	Yes	Yes
Shafin Diamond Tejani	Yes	Yes
Jeremy Roebuck	Yes	Yes

### Relevant Education and Experience

All the members of the Audit Committee have the education and/or practical experience required to understand and evaluate financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by Corporation's financial statements.

The following describes the relevant education and experience of the members of the Audit Committee:

**Carey Dillen** is a chartered accountant with extensive experience spanning start-up to rapid growth environments. Currently, Ms. Dillen is the CEO of Snore MD Inc. and has previously held roles as President & CEO of Afterglow Skin & Laser Centres, President of YYOGA, Vice-President Finance of the Vancouver 2010 Olympic Games as well as other senior leadership roles with Boston Pizza and KPMG. In addition, Ms. Dillen is Chair Finance, Audit & Risk Committee of the 2025 Invictus Games and has previously held positions as Board Chair of GameOn Entertainment Technologies Inc (CSE:GET), Board Chair of One Girl Can and Board Chair of Sport BC. She holds a Bachelor of Commerce, a CPA-CA designation and was a YWCA 2019 Women of Distinction finalist.

**Shafin Diamond Tejani** is an entrepreneur, investor, and venture builder. He is the Chief Executive Officer of Victory Square Technologies Inc. ("VST"), a publicly traded company that builds, acquires, and invests in early-stage technology companies across sectors including digital health, artificial intelligence, climate tech, and immersive experiences. Over the past two decades, Mr. Tejani has founded or invested in more than 50 companies across over 25 countries, with multiple successful exits. Under his leadership, VST and its portfolio companies have been recognized on Deloitte's Technology Fast 50, Financial Times' Fastest Growing Companies in the Americas, and the TSX Venture 50 lists. Beyond his business ventures, Mr. Tejani is committed to philanthropic efforts that advance education, entrepreneurship, and economic empowerment, with a focus on creating pathways for underrepresented youth and emerging founders to access mentorship, capital, and global networks. Mr. Tejani received a Bachelor in Political Science and Economics from the University of Western Ontario in 1999.

**Dr. Jeremy Roebuck** brings over two decades of medical experience to Hydreight's Board. He is aboard-certified otolaryngologist specializing in ear, nose, and throat (ENT) disorders, with a subspecialty in neurotology. Dr. Roebuck earned his medical degree from the University of Texas Medical School at Houston, completed his residency in general surgery and otolaryngology, and pursued a fellowship in neurotology at the Minnesota Ear, Head and Neck Clinic in Minneapolis. Since 2007, Dr. Roebuck has been in private practice at Southeast Texas Ear, Nose & Throat, LLP, where he

performed the first cochlear implant and BAHA (bone-anchored hearing aid) surgeries in the Beaumont community. His clinical interests include minimally invasive sinus surgery, balloon sinuplasty, and the treatment of hearing and balance disorders. In addition to his clinical practice, Dr. Roebuck is the owner and Medical Director of The MedSpa, an innovative facility offering a range of anti-aging, rejuvenation, hydration, and wellness services. These services encompass aesthetic injectables, customized facials, body sculpting, laser therapies, and specialized IV hydration treatments.

### Reliance on Certain Exemptions

At no time since January 1, 2024 has the Company relied on the exemption in section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), subsection 6.1.1(4) of NI 52-110 (*Circumstance Affecting the Business or Operations of the Venture Issuer*), subsection 6.1.1(5) of NI 52-110 (*Events Outside Control of Member*), subsection 6.1.1(6) of NI 52-110 (*Death, Incapacity or Resignation*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemption*) of NI 52-110 by a securities regulatory authority or regulator.

### Audit Committee Oversight

At no time since January 1, 2024, was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Company's Board.

### Pre-approval Policies and Procedures for Non-Audit Services

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services. The Audit Committee will review the engagement of non-audit services as required.

### External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditor in each of the last two financial years of the Company for services in each of the categories indicated are as follows:

Financial Year Ended	Audit Fees	Audit Related Fees <sup>(1)</sup>	Tax Fees <sup>(2)</sup>	All Other Fees <sup>(3)</sup>
December 31, 2024	\$205,038	\$Nil	\$64,124	\$1,685
December 31, 2023	\$115,500	\$665	\$10,800	\$770

#### Notes:

- (1) Pertains to assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and that are not reported under "Audit Fees".
- (2) Pertains to professional services for tax compliance, tax advice and tax planning. The nature of the services comprising the fees disclosed under this category relates to the preparation of Canadian and US Corporation Income Tax Returns.
- (3) Pertains to products and services other than services reported under the other categories.

### Venture Issuers Exemption

If and when required, the Company is relying upon the exemption in section 6.1 of NI 52-110 which exempts "venture issuers" from the requirements of Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

## DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

### Director and Named Executive Officer Compensation Excluding Compensation Securities

#### Named Executive Officers

Set out below are particulars of compensation paid to the following persons (the "Named Executive Officers" or "NEOs"):

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer ("CEO");

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

During the year ended December 31, 2024, the Company had three Named Executive Officers, namely, Shane Madden, CEO and Director (since November 28, 2022), Joshua Sorin, CFO and Corporate Secretary (since November 28, 2022) and Joseph Palumbo, Director (since November 28, 2022).

#### Table of Compensation Excluding Compensation Securities

The following table sets out compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or a subsidiary of the Company, to each applicable NEO and director, in any capacity, for each of the Company’s financial years ended December 31, 2024 and 2023.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Shane Madden<sup>(1)</sup></b> CEO and Director	2024	\$328,752	Nil	Nil	Nil	Nil	\$328,752
	2023	\$296,934	Nil	Nil	Nil	Nil	\$296,934
<b>Joshua Sorin<sup>(2)</sup></b> CFO and Corporate Secretary	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
<b>Carey Dillen<sup>(3)</sup></b> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	\$22,000	Nil	Nil	Nil	Nil	Nil
<b>Joseph Palumbo<sup>(4)</sup></b> Director	2024	\$426,556	Nil	Nil	Nil	Nil	\$426,556
	2023	\$497,680	Nil	Nil	Nil	Nil	\$497,680
<b>Shafin Diamond Tejani<sup>(5)</sup></b> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
<b>Gabriel Kabazo<sup>(6)</sup></b> Former Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
<b>Alexandros Tziliios<sup>(7)</sup></b> Former Director	2024	\$3,000	Nil	Nil	Nil	Nil	\$3,000
	2023	\$60,260	Nil	Nil	Nil	Nil	\$60,260

#### Notes:

- (1) Mr. Madden was appointed CEO and Director of the Company on November 28, 2022. Compensation was calculated based on the issuance of 476,190 common shares on July 18, 2023, pursuant to the employment agreement as described hereunder.
- (2) Mr. Sorin was appointed CFO and Corporate Secretary of the Company on November 28, 2022.
- (3) Ms. Dillen was appointed a Director of the Company on November 28, 2022.
- (4) Dr. Palumbo was appointed a Director of the Company on November 28, 2022.
- (5) Mr. Tejani was appointed a Director of the Company on November 29, 2018.
- (6) Mr. Kabazo was appointed a Director of the Company on November 28, 2022 and ceased to be a director of the Company on August 8, 2025.
- (7) Mr. Tziliios was appointed as CEO and President and Director of the Company on April 13, 2018, and resigned as CEO and President on November 28, 2022. Mr. Tziliios resigned as a director on May 5, 2025. From January 2023 to January 2024, Perihelion Holdings Ltd., the holding company of Mr. Tziliios, was paid \$5,000 per month for services provided by Mr. Tziliios as a board member of the Company.

## External Management Companies

See “*Employment, Consulting and Management Agreements*” for a description of the consulting agreement between the Company and Dr. Joseph Palumbo; Shane Madden; and Joshua Sorin and VST.

Except as disclosed below, none of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly.

## Stock Options and Other Compensation Securities

No compensation securities were granted or issued to any NEO or director by the Company or one of its subsidiaries in the financial year ended December 31, 2024 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

The following table discloses the total amount of compensation securities held by each NEO and director of the Company as at the Company’s financial year end of December 31, 2024.

Name and Position	Total amount of compensation securities held as at December 31, 2024 <sup>(1)</sup>
<b>Joshua Sorin</b> CFO and Corporate Secretary	30,000 RSUs <sup>(4)</sup>
<b>Carey Dillen</b> Director	130,000 Options 90,000 RSUs <sup>(4)</sup>
<b>Joseph Palumbo</b> Director	125,000 RSUs <sup>(4)</sup>
<b>Gabriel Kabazo</b> <sup>(2)</sup> Former Director	130,000 Options
<b>Alexandros Tzili</b> <sup>(3)</sup> Former Director	50,000 Options

Notes:

- (1) The numbers under this column represent the number of Options and RSUs and the same number of Common Shares underlying the related Options and RSUs.
- (2) Mr. Kabazo ceased to be a director of the Company on August 8, 2025.
- (3) Mr. Tzili ceased to be a director of the Company on May 5, 2025.
- (4) RSUs are subject to vesting provision as follow: 50% on July 18, 2024; 25% on January 18, 2025 and 25% on July 18, 2025.

Other than as described herein, no compensation security had been repriced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the Company’s financial year ended December 31, 2024.

Other than as described herein, there are no restrictions or conditions for converting, exercising, or exchanging the compensation securities. To protect the reputation of the Company and avoid the appearance of impropriety, all directors, officers and employees of the Company and its subsidiaries are required to pre-clear all proposed trades in the Company’s securities, including the exercise of Options with the Chief Executive Officer of the Company.

Except as set out in the following table, no NEO or director of the Company exercised any compensation security during 2024.

Name and position	Exercise of Compensation Securities by Directors and NEOs						
	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise (MM/DD/YY)	Closing price of security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
<b>Shane Madden</b> CEO and Director	RSUs	571,428	N/A	07/22/24	\$0.30	\$0.30	\$171,428
<b>Joshua Sorin</b> CFO and	RSUs	30,000	N/A	07/22/24	\$0.30	\$0.30	\$9,000

Name and position	Exercise of Compensation Securities by Directors and NEOs						
	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise (MM/DD/YY)	Closing price of security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Corporate Secretary							
<b>Joseph Palumbo</b> Director	RSUs	125,000	N/A	07/22/24	\$0.30	\$0.30	\$37,500

## Stock Option Plans and Other Incentive Plans

The Company's equity incentive plan (the "**Plan**") was adopted by the by the Board on August 29, 2022, and approved by the Shareholders at the Annual General Meeting held on September 30, 2022. The Plan was subject to and effective concurrently with the completion of a qualifying transaction with IV Hydreight Inc. ("**Hydreight**"), pursuant to a merger agreement dated July 12, 2022, between Perihelion Capital Ltd., Hydreight, 1203500 B.C. Ltd., a wholly owned subsidiary of the Company, VST, and 1362795 B.C. Ltd. (the "**Qualifying Transaction**"), which was completed on November 28, 2022. The Plan received the final approval of the Exchange and replaced and superseded the previous stock option plan. The Plan is a fixed plan whereby the aggregate number of common shares of the Company that may be issued upon the exercise or settlement of performance-based awards granted shall not exceed up to 20% of the Company's issued common shares as at the date of implementation, which maximum was fixed at 5,700,000 on August 29, 2022.

On August 1, 2025, the Board approved an amendment to the Plan ("**Amendment No. 1**") to increase the maximum number of Common Shares that may be issuable thereunder from 5,700,000 to 9,000,000 Common Shares as at the date of implementation (representing 19.5% of the Company's issued and outstanding common shares as at the Record Date).

The policies of the Exchange require that the unallocated securities under all security based compensation arrangements be approved by an issuer's shareholders at the time a fixed security based compensation plan is to be implemented, and at such time as the number of listed share issuable under the security based compensation plan is amended. At the Meeting, shareholders will be asked to reconfirm the Company's Plan, as amended by Amendment No. 1 by approving the unallocated securities that may be grantable thereunder, subject to any necessary Exchange and shareholder approvals. A copy of Amendment No. 1 to the Plan is attached hereto as Appendix "B" to this Information Circular.

The full text of the Plan, as amended by Amendment No. 1 is attached hereto as Appendix "C" to this Information Circular and is also available for review at the registered and records office of the Company at 401 – 750 West Pender Street, Vancouver, British Columbia V6C 2T7 during normal business hours up to and including the date of the Meeting.

The Plan must be approved by the shareholders of the Company as required by the policies of the Exchange. See "*Particulars of Other Matters to be Acted Upon - Reconfirmation of Equity Incentive Plan*".

As at the financial year end of December 31, 2024, and as at the date of this Information Circular, there were no stock options granted under the Company's previous stock option plan, all of which are held by NEOs or former directors of the Company.

### Summary of the Plan

#### *Purpose*

The purpose of the Plan is to, among other things: (i) provide the Company with an equity-related mechanism to attract, retain and motivate qualified directors, officers, employees and consultants of the Company and its subsidiaries, (ii) reward directors, officers, employees and consultants that have been granted awards under the Plan for their contributions toward

the long-term goals and success of the Company, and (iii) enable and encourage such directors, officers, employees and consultants to acquire Common Shares as long-term investments in the Company.

The Plan allows the Company to grant equity-based incentive awards in the form of incentive stock options (“**Options**”), restricted share units (“**RSUs**”), performance share units (“**PSUs**”), deferred share units (“**DSUs**”) and stock appreciation rights (“**SARs**”), as described in further detail below. A summary of the Plan is set out below; such summary is qualified in its entirety by the full text of the Plan, which is available on the Company’s SEDAR+ profile.

#### Shares Subject to the Plan

The Plan is a “fixed” plan in that, subject to the adjustment provisions provided for therein (including a subdivision or consolidation of Common Shares), it provides that the aggregate maximum number of Common Shares that may be reserved for issuance under the Plan, at any time, shall not exceed 9,000,000.

#### Insider Participation Limit

The Plan provides that unless disinterested Shareholder approval is obtained, the aggregate number of Common Shares (a) issuable to Insiders (as defined in the Plan) at any time (under all of the Company’s security- based compensation arrangements) cannot exceed ten (10%) percent of the Company’s issued and outstanding Common Shares, and (b) issued to Insiders within any one-year period (under all of the Company’s security- based compensation arrangements, including under the Plan) cannot exceed ten (10%) percent of the Company’s issued and outstanding Common Shares.

Furthermore, the Plan provides that for so long as the Common Shares are listed and posted for trading on the Exchange, (a) not more than two (2%) percent of the Company’s issued and outstanding Common Shares may be granted to any one consultant in any 12 month period, (b) investor relations service providers may not receive any Awards other than Options, (c) not more than an aggregate of two (2%) percent the Company’s issued and outstanding Common Shares may be granted in aggregate pursuant to Options to investor relations service providers in any 12 month period, (d) unless the Company has obtained disinterested Shareholder approval, not more than five (5%) percent of the Company’s issued and outstanding Common Shares may be issued to any one Person in any 12 month period and (e) unless the Company has obtained disinterested Shareholder approval, the Company shall not decrease the exercise price or extend the term of Options previously granted to Insiders.

Except for so long as the Common Shares are listed and posted for trading on the Exchange, any Common Shares issued by the Company through the assumption or substitution of outstanding stock options or other equity-based awards from an acquired company shall not reduce the number of Common Shares available for issuance pursuant to the exercise of Awards granted under the Plan

#### Administration of the Plan

The Plan Administrator (as defined in the Plan) is determined by the Board, and is initially the Board. The administration of the Plan may in the future be delegated to a committee of the Board. The Plan Administrator determines which directors, officers, consultants and employees are eligible to receive Awards under the Plan, the time or times at which Awards may be granted, the conditions under which Awards may be granted or forfeited to the Company, the number of Common Shares to be covered by any Award, the exercise price of any Award, whether restrictions or limitations are to be imposed on the Common Shares issuable pursuant to grants of any Award, and the nature of any such restrictions or limitations, any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine.

In addition, the Plan Administrator interprets the Plan and may adopt administrative rules, regulations, procedures and guidelines governing the Plan or any Awards granted under the Plan as it deems appropriate.

#### Eligibility

All directors, officers, consultants and employees are eligible to participate in the Plan. The extent to which any such individual is entitled to receive a grant of an Award pursuant to the Plan will be determined in the discretion of the Plan Administrator.



## Types of Awards

Awards of Options, RSUs, PSUs, DSUs and SARs may be made under the Plan. All of the Awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Plan Administrator, in its sole discretion, subject to such limitations provided in the Plan, and will generally be evidenced by an Award Agreement (as defined in the Plan). In addition, subject to the limitations provided in the Plan and in accordance with applicable law, the Plan Administrator may accelerate or defer the vesting or payment of Awards, cancel or modify outstanding Awards, and waive any condition imposed with respect to Awards or Common Shares issued pursuant to Awards.

### *Options*

An Option entitles a holder thereof to purchase a prescribed number of treasury Common Shares at an exercise price set at the time of the grant. The Plan Administrator will establish the exercise price at the time each Option is granted, which exercise price must in all cases be not less than the Discounted Market Price (as defined in Policy 1.1 – *Interpretation* of the Exchange) for so long as the Common Shares are listed and posted for trading on the Exchange. Subject to any accelerated termination as set forth in the Plan, each Option expires on its respective expiry date. The Plan Administrator will have the authority to determine the vesting terms applicable to grants of Options, subject to the restrictions in the Plan relating to Options granted to investor relations service providers. Once an Option becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as otherwise set forth in any written employment agreement, consulting agreement, Award Agreement or other written agreement between the Company or a subsidiary of the Company and the Participant (as defined in the Plan). The Plan Administrator has the right to accelerate the date upon which any Option becomes exercisable. The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in the Plan, such as vesting conditions relating to the attainment of specified performance goals.

Unless otherwise specified by the Plan Administrator at the time of granting an Option (as defined in the Plan) and set forth in the particular Award Agreement, an exercise notice must be accompanied by payment of the exercise price. The exercise price of the Options must be fully paid by certified cheque, wire transfer, bank draft or money order payable to the Company or by such other means as might be specified by the Plan Administrator, which, to the extent permitted by and otherwise subject to the rules and policies of the Exchange, may include (i) through a net exercise process, (ii) through a cashless exercise process, or (iii) by any combination thereof. For more details regarding the net exercise process and the cashless exercise process, please see the Plan.

### *Restricted Share Units*

An RSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share (or the value thereof) for each RSU after a specified vesting period. The Plan Administrator may, from time to time, subject to the provisions of the Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any Participant in respect of services rendered by the applicable Participant in a taxation year (the “**RSU Service Year**”).

The number of RSUs (including fractional RSUs) granted at any particular time under the Plan will be calculated by dividing (a) the amount of any bonus or similar payment that is to be paid in RSUs (including the elected amount, as applicable), as determined by the Plan Administrator, by (b) the greater of (i) the Discounted Market Price of a Common Share on the date of grant, or (ii) such amount as determined by the Plan Administrator in its sole discretion. The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of RSUs, provided that the terms comply with Section 409A of Code, to the extent applicable.

Upon settlement, holders will receive (a) one fully paid and non-assessable Common Share in respect of each vested RSU, (b) a cash payment or (c) a combination of Common Shares and cash, in each case as determined by the Plan Administrator. Any such cash payments made by the Company shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Price (as defined in the Plan) per Common Share as at the settlement date. Subject to the provisions of the Plan and except as otherwise provided in an Award Agreement, no settlement date for any RSU shall occur, and no Common Share shall be issued or cash payment shall be made in respect of any RSU any later than the final business day of the third calendar year following the applicable RSU Service Year.

### *Performance Share Units*

A PSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share (or the value thereof) for each PSU after specific performance-based vesting criteria determined by the Plan Administrator, in its sole discretion, have been satisfied. The performance goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the termination of a Participant's employment and the amount of any payment or transfer to be made pursuant to any PSU will be determined by the Plan Administrator and by the other terms and conditions of any PSU, all as set forth in the applicable Award Agreement. The Plan Administrator may, from time to time, subject to the provisions of the Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any Participant in respect of a bonus or similar payment in respect of services rendered by the applicable Participant in a taxation year (the "**PSU Service Year**").

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of PSUs. Upon settlement, holders will receive (a) one fully paid and non-assessable Common Share in respect of each vested PSU, (b) a cash payment, or (c) a combination of Common Shares and cash, in each case as determined by the Plan Administrator. Any such cash payments made by the Company to a Participant shall be calculated by multiplying the number of PSUs to be redeemed for cash by the Market Price per Common Share as at the settlement date. Subject to the provisions of the Plan and except as otherwise provided in an Award Agreement, no settlement date for any PSU shall occur, and no Common Share shall be issued or cash payment shall be made in respect of any PSU any later than the final business day of the third calendar year following the applicable PSU Service Year.

### *Deferred Share Units*

A DSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Company which entitles the holder to receive one Common Share (or, at the election of the holder and subject to the approval of the Plan Administrator, the cash value thereof) for each DSU on a future date. The Board may fix from time to time a portion of the total compensation paid by the Company to an eligible person in a calendar year for service that are to be payable in the form of DSUs. In addition, subject to the prior approval of the Plan Administrator, certain persons designated by the Plan Administrator are given, subject to the provisions of the Plan, the right to elect to receive a portion of his or her compensation owing to them in the form of DSUs.

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of DSUs. The number of DSUs (including fractional DSUs) granted at any particular time will be calculated by dividing (a) the amount of any compensation elected to be paid by the issuance of DSUs that are paid in DSUs, by (b) the Market Price of a Common Share on the date of grant. Upon settlement, holders will receive (a) one fully paid and non-assessable Common Share in respect of each vested DSU, (b) a cash payment, or (c) a combination of Common Shares and cash, in each case as determined by the Plan Administrator in its sole discretion. Any cash payments made under the Plan by the Company to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Common Share as at the settlement date.

### *Stock Appreciation Rights*

An SAR is a right of a recipient to be paid compensation equivalent to an appreciation in the value of the Common Shares over a certain period of time. Each SAR entitles the holder to receive, upon the payment of the exercise price in respect thereto, one Common Share (or, at the election of the holder and subject to the approval of the Plan Administrator, the cash value thereof) for each SAR on a future date.

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of SARs. Upon payment of the exercise price in respect of each SAR, which shall be the fair market value of the Common Shares as determined by the Plan Administrator at the time of grant, provided that such fair market value shall not be less than the minimum price permitted by applicable laws and the policies of the Exchange, holders will receive (a) one fully paid and non-assessable Common Share in respect of each vested SAR, (b) a cash payment, or (c) a combination of Common Shares and cash, in each case as determined by the Plan Administrator in its sole discretion. Any cash payments made under the Plan by the Company to a Participant in respect of SAR to be redeemed for cash shall be calculated by multiplying the number of SAR to be redeemed for cash by the difference between the Market Price and the exercise price in respect of such SAR (assuming that the holder thereof has elected to exercise such SARs by way of a cashless exercise) per Common Share as at the settlement date.

### Dividend Equivalents

Unless otherwise determined by the Plan Administrator, Awards of RSUs, PSUs, DSUs and SARs shall be credited with dividend equivalents in the form of additional RSUs, PSU, DSUs and SARs, as applicable. Dividend equivalents shall vest in proportion to, and settle in the same manner as, the Awards to which they relate. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Common Share by the number of RSUs, PSUs, DSUs and SARs, as applicable, held by the Participant on the record date for the payment of such dividend, by (b) the Market Price at the close of the first business day immediately following the dividend record date, with fractions computed to three decimal places. For clarity, any dividend equivalents granted shall be included in calculating the limits prescribed by the Plan. If the Company does not have a sufficient number of available Common Shares under the Plan to grant such dividend equivalents, the Company shall make such dividend payment in cash.

### Black-out Periods

If an Award expires during, or within five business days after, a routine or special trading Blackout Period (as defined in the Plan), then, notwithstanding any other provision of the Plan, unless the delayed expiration would result in negative tax consequences to the holder of the Award, the Award shall expire five business days after the Blackout Period is lifted by the Company; and provided that, (i) the Blackout Period must be deemed to have expired upon the general disclosure of the undisclosed Material Information (as defined in the Plan), and (ii) the automatic extension of an Award will not be permitted where the Participant or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities.

### Term

While the Plan does not stipulate a specific term for Awards granted thereunder, other than the Options, which are subject to a maximum term of 10 years from the date of grant, subject to certain adjustments, as discussed below, Shareholder approval is required to permit an Option to be exercisable beyond 10 years from its date of grant, except where an expiry date would have fallen within a Blackout Period of the Company. All Awards must vest and settle in accordance with the provisions of the Plan and any applicable Award Agreement, which Award Agreement may include an expiry date for a specific Award.

### Termination of Employment or Services

The table below describes the impact of certain events upon the Participants under the Plan, including termination for cause, resignation, termination without cause, disability, death or Retirement, subject, in each case, to the terms of a Participant's applicable employment agreement, consulting agreement, Award Agreement or other written agreement and subject to applicable employment standards legislation or regulations applicable to the Participant's employment or other engagement with the Company or any of its subsidiaries. Terms capitalized but not otherwise defined shall have the meaning ascribed to it in the Plan:

Event	Provisions
Termination for Cause	Any unvested Awards held that have not been exercised, settled or surrendered as of the Termination Date shall be immediately forfeited and cancelled for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Awards.  Any vested Awards may, subject to the terms of the Plan be exercised, settled or surrendered to the Company by the Participant at any time during the period that terminates on the date that is 90 days after the Termination Date, with any Award that has not been exercised, settled or surrendered at the end of such period shall be immediately forfeited and cancelled for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Awards.
Resignation	
Termination without Cause	
Disability	A portion of any Award held by the Participant that has not vested as of the date of the Disability of such Participant shall vest on such date, such portion to be equal to the number of unvested Awards held by the Participant as of the date of Disability multiplied by a fraction the numerator of which is the number of days between the date of grant and the date of the Disability and the denominator of which is the number of days between the date of grant and the date any unvested Awards were originally scheduled to vest, and may, subject to the terms of the Plan, be exercised, settled or surrendered to the Company by the Participant at any time until the first anniversary of the date such Participant became Disabled, provided that with respect to any PSUs held by such Participant, the

Event	Provisions
	attainment of performance goals shall be assessed on the basis of actual achievement of the performance goals up to the Termination Date, if the applicable performance period has been completed and the Company can determine if the performance goals have been attained, failing which the Company will assume Target Performance. Any Award that has not been exercised, settled or surrendered at the end of such period shall be immediately forfeited and cancelled for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Awards.
Death	Any Award held by the Participant that has not vested as of the date of the death of such Participant shall vest on such date and may, subject to the terms of the Plan, be exercised, settled or surrendered to the Company by the Participant at any time during the period that terminates on the first anniversary of the date of death, provided that with respect to any PSUs held by such Participant, the attainment of performance goals shall be assessed on the basis of actual achievement of the performance goals up to the date of death of such Participant, if the applicable performance period has been completed and the Company can determine if the performance goals have been attained, failing which the Company will assume Target Performance. Any Award that has not been exercised, settled or surrendered at the end of such period shall be immediately forfeited and cancelled and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Awards.
Retirement	<p>Any Award held by the Participant that has not vested as of the date of Retirement shall continue to vest in accordance with its terms and, if any such Awards vest, shall be exercised, settled or surrendered by the Company to the Participant provided that (a) with respect to any PSUs held by such Participant, the attainment of performance goals shall be assessed on the basis of actual achievement of the performance goals up to the Termination Date, if the applicable performance period has been completed and the Company can determine if the performance goals have been attained, failing which the Company will assume Target Performance, and (b) for so long as the Common Shares are listed and posted for trading on the Exchange, any such Award shall expire within a reasonable period, not exceeding twelve (12) months from the Termination Date, following which the Participant shall not be entitled to any damages or other amounts in respect of such expired Awards.</p> <p>Notwithstanding the foregoing, if, following his or her Retirement, the Participant breaches the terms of any restrictive covenant in the Participant's written or other applicable employment or other agreement with the Company or a subsidiary of the Company, any Award held by the Participant that has not been exercised, surrendered or settled shall be immediately forfeited and cancelled for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Awards.</p>

The Plan Administrator may, in its discretion, at any time prior to, or following the events listed above, or in an employment agreement, consulting agreement, Award Agreement or other written agreement between the Company or a subsidiary of the Company and a person receiving an Award under the Plan, permit the acceleration or vesting of any or all Awards or waive termination of any or all Awards, all in the manner and on the terms as may be authorized by the Plan Administrator; provided that, for so long as the Common Shares are listed and posted for trading on the Exchange, (a) no acceleration of the vesting of Options granted to investor relations service providers is permitted without prior Exchange acceptance; and (b) no Awards (other than Options) may vest before the date that is one year following the date it is granted or issued, other than as may be permitted or not prohibited pursuant to Exchange policies.

#### Change in Control

Subject to certain rules and restrictions of the Exchange, under the Plan, except as may be set forth in an employment agreement, consulting agreement, Award Agreement or other written agreement between the Company or a subsidiary of the Company and a Participant:

- If, within 12 months following the completion of a transaction resulting in a Change in Control (as defined in the Plan), a Participant's employment, consultancy or directorship is terminated without Cause (as defined in the Plan):
  - any unvested Awards held by the Participant at the Termination Date may vest in the sole discretion of the Plan Administrator; and
  - any vested Awards may, subject to the terms of the Plan, be exercised, settled or surrendered to the Company by the Participant at any time during the period that terminates on the date that is 90 days after the Termination Date, with any Award that has not been exercised, settled or surrendered at the end of such

period shall be immediately forfeited and cancelled for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Awards.

- Unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Common Shares will cease trading on the Exchange or any other exchange, the Company may terminate all of the Awards, other than an Option held by a Canadian Taxpayer (as defined in the Plan) for the purposes of the Tax Act, granted under the Plan at the time of, and subject to the completion of, the Change in Control transaction by paying to each holder an amount equal to the fair market value of his or her respective Award (as determined by the Plan Administrator, acting reasonably) at or within a reasonable period of time following completion of such Change in Control transaction.

#### Non-Transferability of Awards

Except as permitted by the Plan Administrator, and to the extent that certain rights may pass to a beneficiary or legal representative upon the death of a Participant by will or as required by law, no assignment or transfer of Awards granted under the Plan, whether voluntary, involuntary, by operation of law or otherwise, is permitted.

#### Amendments to the Plan

The Plan Administrator may also, from time to time, without notice and without approval of the Shareholders, amend, modify, change, suspend or terminate the Plan or any Awards granted pursuant thereto as it, in its discretion, determines appropriate, provided that no such amendment, modification, change, suspension or termination of the Plan or any Award granted pursuant thereto may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of such Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements.

Notwithstanding the above, and subject to the rules of the Exchange, the approval of Shareholders is required to effect any of the following amendments to the Plan:

- (a) increasing the percentage of the Company's issued and outstanding Common Shares reserved for issuance under the Plan, except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital;
- (b) increasing or removing the 10% limits on Common Shares issuable or issued to Insiders;
- (c) reducing the exercise price of an Award (for this purpose, a cancellation or termination of an Award of a Participant prior to its expiry date for the purpose of reissuing an Award to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Award) except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital;
- (d) extending the term of an Option beyond the original expiry date (except where an expiry date would have fallen within a Blackout Period applicable to the Participant or within five business days following the expiry of such a Blackout Period);
- (e) permitting an Option to be exercisable beyond 10 years from its date of grant (except where an expiry date would have fallen within a Blackout Period);
- (f) increasing or removing the limits on the participation of non-employee directors;
- (g) permitting Awards to be transferred;
- (h) changing the eligible Participants;
- (i) pertaining to a matter expressly subject to approval of the Shareholders pursuant to the applicable rules of the Exchange; and

- (j) deleting or otherwise limiting the amendments which require approval of the Shareholders,

and, in the case of subsections (a), (b), (c) and (f), such approval must be obtained from disinterested Shareholders of the Company. Except for the items listed above, amendments to the Plan will not require Shareholder approval. Such amendments include (but are not limited to): (a) amending the general vesting provisions of an Award provided that such amendment does not have the effect of altering the scope, nature and intent of the amended provisions, (b) adding covenants of the Company for the protection of the Participants provided that such addition does not have the effect of altering the scope, nature and intent of the amended provisions, (c) amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides provided that such amendments do not have the effect of altering the scope, nature and intent of the amended provisions, and (d) curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error provided that such correction does not have the effect of altering the scope, nature and intent of the amended provisions.

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

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

#### **Consulting Agreement with Dr. Joseph Palumbo**

The Company entered into a medical consultation agreement with Ask-A-Doc, LLC, an Ohio limited liability company, dated January 1, 2021, as amended by the first amendment agreement dated August 23, 2022 (the “**Medical Consultation Agreement**”), for consulting services provided by Mr. Joseph Palumbo. Mr. Palumbo is the sole shareholder of Ask-A-Doc, LLC and the Medical Consultation Agreement will remain in effect until terminated pursuant to the terms thereof. In accordance with the terms of the Medical Consultation Agreement, Mr. Palumbo is paid a fee for every transaction generated by the Company.

#### **Employment Agreement with Shane Madden**

Pursuant to an employment agreement between the Company and Shane Madden dated January 1, 2022, as amended on November 2, 2022 (together, the “**Madden Agreement**”), the Company pays Mr. Madden an annual salary of US\$180,000. In consideration for the services provided by Mr. Madden during the course of the Qualifying Transaction, the Company also paid to Mr. Madden a cash bonus of \$60,000 on December 7, 2022. On July 18, 2023, the Company also issued to Mr. Madden an aggregate of 476,190 Company’s Shares at a deemed price of \$0.63 per share and granted to Mr. Madden 571,428 RSUs under the Plan that will vest subject to the achievement of certain milestones. The Company may terminate the Madden Agreement without cause by providing Mr. Madden with six months’ written notice within the first full year of service, which will increase by an additional three months’ written notice for each full year of service thereafter. The Company may provide Mr. Madden with severance in lieu of notice or a combination of working notice and pay in lieu of notice, in an all-inclusive amount equal to Mr. Madden’s then base salary for such notice period.

#### **Consulting Agreement with Joshua Sorin and VST**

Pursuant to the consulting agreement between the Company, Joshua Sorin and VST, a Related Party (as such term is defined in MI 61-101) to the Company dated November 28, 2022 (the “**VST Consulting Agreement**”), VST receives US\$120,000 per annum (payable in monthly instalments of US\$10,000) in cash for an aggregate of 50 hours of work each month, consisting of services such as the provision of business strategy consultation services, bookkeeping services, controller services, and chief financial officer services to be provided by Mr. Joshua Sorin. Any work in excess of 50 hours per week shall be billed at an hourly rate of \$400. The VST Consulting Agreement is for an initial term of 36 months, and will automatically renew for consecutive period of 12 months unless either party gives the other party 30 days written notice of nonrenewal prior to the expiry. In the event that the VST Consulting Agreement is terminated due to a change in the voting control of the Common Shares, VST will receive a lump sum payment equal to the portion of the fees due under the VST Consulting Agreement that VST would have been entitled to for the remaining duration of the term of the VST Consulting Agreement, subject to a maximum of US\$120,000.

Other than as disclosed above and elsewhere in this Circular, during the financial period ended December 31, 2024, the Company had no agreement or arrangements with any NEO or director of the Company with respect to change of control,

severance, termination or constructive dismissal provisions and no management function of the Company were performed by a person other than the directors and officers of the Company.

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

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussions relating to compensation, but disclose their interest in, and abstain from voting on, decisions related to their own respective compensation.

The overall objective of the Company's compensation strategy is to offer short, medium and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest calibre and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the chief executive officer, if any, in this regard.

Executive officers' compensation is currently composed of two major components: a short-term compensation component, which includes the payment of base salary and / or management fees to certain NEOs, and a long-term compensation component, which includes the grant of equity incentive securities under the Plan. The base salary and / or management fees primarily reward recent performance and equity incentive securities encourage NEOs and directors to continue to deliver results over a longer period of time and serve as a retention tool. The Company intends to further develop these compensation components. The Company also pays bonuses to its NEOs on account of the achievement of certain milestones.

In the Board's view, paying base salaries, which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates, is a first step to attracting and retaining qualified and effective executives. Competitive salary information on comparable companies within the Company's industry is compiled from a variety of sources, including national and international publications.

The management fee for each NEO, as applicable, is determined by the Board based on the level of responsibility and experience of the individual, the relative importance of the position to the Company, the professional qualifications of the individual and the performance of the individual over time.

The second component of the executive officers' compensation is equity incentive securities. The objectives of the Company's compensation policies and procedures are to align the interests of the Company's employees with the interests of the Shareholders of the Company. Therefore, a significant portion of total compensation granted by the Company, being the grant of equity incentive securities, is based upon overall corporate performance.

Although it has not to date, the Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the performance of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium-term compensation component.

The Company relies on Board discussion, without formal objectives, criteria and analysis, when determining executive compensation. There are currently no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

The NEOs' performances and salaries or fees are to be reviewed periodically. Increases in management fees are to be evaluated on an individual basis and are performance and market based. Compensation is not tied to performance criteria or goals such as milestones, agreements or transactions, and the Company does not use a "peer group" to determine compensation.

### **Pension Disclosure**

The Company does not have any pension or retirement plan which is applicable to the NEOs or directors.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information on the Company's equity compensation plan under which Common Shares are authorized for issuance as at December 31, 2024.

### EQUITY INCENTIVE PLAN INFORMATION

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders (Equity Incentive Plan)	2,196,500	\$0.28 (excluding RSUs)	3,399,500 <sup>(1)</sup>
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	<b>2,196,500</b>		<b>3,399,500</b>

Note:

- (1) Based on the maximum aggregate number of Common Shares reserved for issuance pursuant to equity-based incentive awards granted under the Plan (being 5,700,000) less the number of Common Shares deducted from that reserve further to exercises of equity-based incentive awards on or before December 31, 2024 (being 2,300,500), with the difference being a total of 3,399,500 Common Shares remaining available for future issuance under the Plan as at December 31, 2024 (being the sum of columns (a) and (c)).

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed herein, no director or executive officer of the Company, no proposed nominee for election as a director of the Company, no associate of any such director, executive officer or proposed nominee (including companies controlled by them), has any material interest, direct or indirect, by way of beneficial ownership of securities of the Company or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date hereof, no director or executive officer of the Company, no proposed nominee for election as a director of the Company, no associate of any such director, executive officer or proposed nominee (including companies controlled by them), no employee of the Company or any of its subsidiaries, and no former executive officer, director or employee of the Company or any of its subsidiaries, is indebted to the Company or any of its subsidiaries (other than for "routine indebtedness" as defined under applicable securities legislation) or is indebted to another entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person (i.e. insider) of the Company, no proposed director of the Company, and no associate or affiliate of any informed person or proposed director has had any material interest, direct or indirect, in any transaction since January 1, 2024, or in any proposed transaction which has materially affected or would materially affect the Company.

## MANAGEMENT CONTRACTS

No management functions of the Company are to any substantial degree performed by a person other than the directors or executive officers of the Company.

## PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

### Reconfirmation of Equity Incentive Plan

The Plan is a fixed plan whereby the aggregate number of common shares of the Company that may be issued upon the exercise or settlement of performance-based awards granted shall not exceed up to 20% of the Company's issued common



shares as at the date of implementation, which maximum was fixed at 5,700,000 on August 29, 2022 and approved by the Shareholders at the Annual General Meeting held on September 30, 2022.

On August 1, 2025, the Board approved an amendment to the Plan ("**Amendment No. 1**") to increase the maximum number of Common Shares that may be issuable thereunder from 5,700,000 to 9,000,000 Common Shares as at the date of implementation (representing 19.5% of the Company's issued and outstanding common shares as at the Record Date).

The policies of the Exchange require that the unallocated securities under all security based compensation arrangements be approved by an issuer's shareholders at the time a fixed security based compensation plan is to be implemented, and at such time as the number of listed share issuable under the security based compensation plan is amended. At the Meeting, shareholders will be asked to reconfirm the Company's Plan, as amended by Amendment No. 1 by approving the unallocated securities that may be grantable thereunder, subject to any necessary Exchange and shareholder approvals.

A copy of Amendment No. 1 to the Plan is attached hereto as Appendix "B" to this Information Circular.

The full text of the Plan, as amended by Amendment No. 1 is attached hereto as Appendix "C" to this Information Circular and is also available for review at the registered and records office of the Company at 401 – 750 West Pender Street, Vancouver, British Columbia V6C 2T7 during normal business hours up to and including the date of the Meeting. For a summary of the material terms of the Plan, as amended by Amendment No. 1, see "*Director and Named Executive Officer Compensation - Stock Option Plans and Other Incentive Plans*".

At the Meeting, shareholders will be asked to pass an ordinary resolution to approve Amendment No. 1 to the Plan and to reconfirm the Plan (as amended by Amendment No. 1) by approving the unallocated options that may be grantable under the Plan. The text of the proposed resolution is as follows:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. Amendment No. 1 to the Plan of the Company, in the form attached as Appendix "B" to the Information Circular for the Meeting, is hereby approved, ratified and confirmed.
2. All unallocated options grantable under the Company's Plan (as amended by Amendment No. 1 and also included in Appendix "C" attached to the Information Circular) are hereby approved.
3. The Board of Directors of the Company is hereby authorized to make any revisions to the Plan if and as required by the TSX Venture Exchange in order to give effect to this resolution.
4. Any one director or officer of the Company is hereby authorized and directed for and in the name of and on behalf of the Company to execute and deliver or cause to be executed and delivered all such documents, and to do or cause to be done all acts and things, as such person may determine to be necessary or advisable to give full effect to or carry out the foregoing resolution."

A simple majority of the votes cast at the Meeting (in person or by proxy) is required in order to pass the above resolution. If the requisite shareholder approval is not obtained, Amendment No. 1 will terminate and the Company will revert to its previous fixed maximum which was fixed at 5,700,000 on August 29, 2022 and approved by the Shareholders at the Annual General Meeting held on September 30, 2022.

The Plan is subject to final approval of the Exchange.

Based on the issued and outstanding number of Common Shares of the Company as at the date hereof, a total of 9,000,000 Common Shares, representing 19.5% of the total issued and outstanding Common Shares, are available for issuance under the Plan (as amended by Amendment No. 1) in connection with performance-based awards that are outstanding or that may be granted in the future. As at the date hereof, based on there being outstanding performance-based awards to purchase a total of 4,484,928 Common Shares (representing approximately 9.7% of the outstanding Common Shares) less the number of Common Shares deducted from that reserve further to exercises of equity-based incentive awards on or before August 1, 2025 (being 467,375), a total of 4,515,072 additional Common Shares (representing approximately 9.8% of the outstanding Common Shares) remain available for future grants under the Plan (as amended by Amendment No. 1) assuming that the Plan is reconfirmed by the Shareholders.

**The Board recommends that the Shareholders vote for the Company's Plan, as amended by Amendment No. 1.**

**Unless such authority is withheld, the management-designated proxyholders named in the enclosed Proxy form intend to vote for the Company's Plan, as amended by Amendment No. 1.**

## **OTHER MATTERS**

### **Normal Course Issuer Bid**

With the approval of the TSX Venture Exchange (the "**TSXV**"), the Company commenced a normal course issuer bid (the "**NCIB**") on October 4, 2024 which will terminate upon the earliest of (i) the Company purchasing up to 1,378,633 Common Shares, (ii) the Company providing notice of termination of the NCIB, and (iii) October 3, 2025. As of December 31, 2024, the Company purchased for cancellation 18,500 of its issued and outstanding common shares under the NCIB at an average market price of \$0.4014 per Common Share through the facilities of the TSXV. The NCIB was conducted in accordance with applicable securities laws and the policies of the TSXV. Research Capital Corporation of Vancouver, British Columbia conducted the NCIB on behalf of the Company.

Shareholders may obtain, without charge, a copy of the "Notice of Intention to Make a Normal Course Issuer Bid" filed by the Company with the TSXV by contacting the Company.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Financial information relating to the Company is provided in the Company's comparative consolidated financial statements and management's discussion and analysis for its financial year ended December 31, 2024, which are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and may also be obtained by sending a written request to the Chief Executive Officer of the Company at the Company's head office located at Suite 401, 750 West Pender Street, Vancouver, British Columbia V6C 2T7.

Dated as of the 8th day of August, 2025.

## **BY ORDER OF THE BOARD**

*"Shane Madden"*

Shane Madden  
Chief Executive Officer

**APPENDIX “A”**  
**HYDREIGHT TECHNOLOGIES INC.**  
**(the “Company”)**

**AUDIT COMMITTEE CHARTER**

**Mandate**

The primary function of the audit committee (the “Committee”) is to assist the Board of Directors (“Board”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. The Committee’s primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements;
- review and appraise the performance of the Company’s external auditor; and
- provide an open avenue of communication among the Company’s auditor, financial and senior management and the Board.

**Composition**

The Committee shall be comprised of at least three directors as determined by the Board, all of whom shall be “independent” directors except as permitted by applicable securities regulatory guidelines (including applicable exemptions while the Company is a “venture issuer” within the meaning of applicable securities legislation). A quorum of the Committee shall be a majority of the members. Each member of the Committee will be a member of the Board. In the event of an equality of votes, the Chair of the Committee shall not have a second casting vote.

The members of the Committee shall be elected by the Board at its first meeting following the annual shareholders’ meeting. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

**Meetings**

The Committee shall meet at least once annually, or more frequently as circumstances dictate or as may be prescribed by securities regulatory requirements. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditor in separate sessions.

**Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports
  - (a) review and update, if applicable or necessary, this Audit Committee Charter annually;
  - (b) review with management and the independent auditor the Company’s annual and interim financial statements, management’s discussion and analysis, any annual and interim earnings press releases and any reports or other financial information to be submitted to any governmental and/or regulatory body, or the public, including any certification, report, opinion, or review rendered by the external auditor for the purpose of recommending their approval to the Board prior to their filing, issue or publication. The Chair of

the Committee may represent the entire Committee for purposes of this review in circumstances where time does not allow the full Committee to be available;

- (c) review analyses prepared by management and/or the external auditor setting forth significant financial reporting issues and judgements made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements;
- (d) review the effect of regulatory and accounting initiatives, as well as off balance sheet structures, on the financial statements of the Company;
- (e) review policies and procedures with respect to directors' and officers' expense accounts and management perquisites and benefits, including their use of corporate assets and expenditures related to executive travel and entertainment, and review the results of the procedures performed in these areas by the external auditor, based on the terms of reference agreed upon by the external auditor and the Committee;
- (f) review expenses of the Chairman of the Board, Chief Executive Officer and Chief Financial Officer annually; and
- (g) ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, as well as review any financial information and earnings guidance provided to analysts and rating agencies, and periodically assess the adequacy of those procedures.

## 2. External Auditor

- (a) review annually, the performance of the external auditor who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company;
- (b) obtain annually, a formal written statement of external auditor setting forth all relationships between the external auditor and the Company;
- (c) review and discuss with the external auditor any disclosed relationships or services that may have an impact on the objectivity and independence of the external auditor;
- (d) take, or recommend that the Board take, appropriate action to oversee the independence of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Board the selection and, where applicable, the replacement of the external auditor nominated annually for shareholder approval;
- (f) recommend to the Board the compensation to be paid to the external auditor;
- (g) at each meeting, where desired, consult with the external auditor, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (i) review with management and the external auditor the audit plan for the year-end financial statements; and
- (j) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditor. The authority to pre-approve non-audit services may be delegated by the Committee to one or more independent members of

the Committee, provided that such pre-approval must be presented to the Committee's first scheduled meeting following such pre-approval. Pre-approval of non-audit services is satisfied if:

- (i) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than 5% of the total amount of fees paid by the Company and subsidiaries to the Company's external auditor during the fiscal year in which the services are provided;
- (ii) the Company or a subsidiary did not recognize the services as non-audit services at the time of the engagement; and
- (iii) the services are promptly brought to the attention of the Committee and approved, prior to completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

### 3. Financial Reporting Processes

- (a) in consultation with the external auditor, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- (c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditor and management;
- (d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments;
- (e) following completion of the annual audit, review separately with management and the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (f) review any significant disagreement among management and the external auditor in connection with the preparation of the financial statements;
- (g) review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (i) review certification process;
- (j) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- (k) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### 4. Other

- (a) review any material related party transactions;
- (b) engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- (c) to set and pay compensation for any independent counsel and other advisors employed by the Committee.

**APPENDIX “B”**

**AMENDMENT NO. 1  
to the Equity Incentive Plan  
of  
Hydreight Technologies Inc.  
(the “Company”)**

(as approved by the Board of Directors of the Company  
as of August 1, 2025, subject to applicable regulatory and shareholder approvals)

The Equity Incentive Plan of the Company shall be amended as follows:

Subsection 3.6(a) relating to the maximum number of common shares in the capital of the Company be amended by deleting “5,700,000” and substituting “9,000,000” so that subsection 3.6(a) shall read as follows:

**“3.6 Total Shares Subject to Awards**

- (a) The aggregate number of Shares that may be reserved for issuance under this Plan, at any time, shall not exceed 9,000,000.”

## APPENDIX “C”

### HYDREIGHT TECHNOLOGIES INC.

(the “Company”)

#### Fixed Equity Incentive Plan

(as amended and restated to include Amendment No. 1 to the Plan effective August 1, 2025,  
subject to applicable regulatory and shareholder approvals)

### ARTICLE 1 PURPOSE

#### 1.1 Purpose

The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company by Participants through the acquisition of Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with the policies of the Exchange and any inconsistencies between this Plan and policies of the Exchange will be resolved in favour of the latter.

### ARTICLE 2 INTERPRETATION

#### 2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the indicated meanings, respectively:

“**Affiliate**” means any entity that is an “affiliate” for the purposes of National Instrument 45-106 – *Prospectus Exemptions*, as amended from time to time;

“**Associate**” has the meaning set forth in the Securities Act;

“**Award**” means any Option, RSU, PSU, DSU or SAR granted under this Plan which may be denominated or settled in Shares or cash;

“**Award Agreement**” means a signed, written agreement between a Participant and the Company, in the form or any one of the forms approved by the Plan Administrator, evidencing the terms and conditions on which an Award has been granted under this Plan (including written or other applicable employment agreements) and which need not be identical to any other such agreements;

“**Blackout Period**” means an interval of time formally imposed by the Company during which one or more Participants is prohibited from trading any securities of the Company as a result of the bona fide existence of undisclosed Material Information from time to time, including pursuant to the Company’s insider trading policy and/or applicable laws;

“**Board**” means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Awards under this Plan as it may be constituted from time to time;

“**Business Day**” means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Vancouver, British Columbia are open for commercial business during normal banking hours;

“**Canadian Taxpayer**” means a Participant that is resident of Canada for purposes of the Tax Act;

“**Cash Fees**” has the meaning set forth in Subsection 7.1(a);

“**Cashless Exercise**” has the meaning set forth in Subsection 4.6(b);

**“Cause”** means, with respect to a particular Participant:

- (a) “cause” (or any similar term) as such term is defined in the employment or other written agreement between the Company or a subsidiary of the Company and the Employee;
- (b) in the event there is no written or other applicable employment or other agreement between the Company or a subsidiary of the Company or “cause” (or any similar term) is not defined in such agreement, “cause” as such term is defined in the Award Agreement; or
- (c) in the event neither (a) nor (b) apply, then “cause” as such term is defined by applicable law or, if not so defined, such term shall refer to circumstances where (i) an employer may terminate an individual’s employment without notice or pay in lieu thereof or other damages, or (ii) the Company or any subsidiary thereof may terminate the Participant’s contract without notice or without pay in lieu thereof or other termination fee or damages, except, in each case, to the extent required under ESL, and provided that the failure by a Participant to meet performance targets or similar measures shall not, in and of itself, constitute cause for purposes of such termination of employment or contract;

**“Change in Control”** means the occurrence of any one or more of the following events:

- (a) any transaction at any time and by whatever means pursuant to which any Person or any group of two (2) or more Persons acting jointly or in concert (other than the Company or a subsidiary of the Company) hereafter acquires the direct or indirect “beneficial ownership” (as determined pursuant to the Securities Act) of, or acquires the right to exercise Control or direction over, securities of the Company representing more than 50% of the total voting power represented by the then issued and outstanding voting securities of the Company, including, without limitation, as a result of a take-over bid, an exchange of securities, an amalgamation of the Company with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;
- (b) the sale, assignment or other transfer of all or substantially all of the consolidated assets of the Company to a Person other than an Affiliate of the Company;
- (c) the dissolution or liquidation of the Company, other than in connection with the distribution of assets of the Company to one (1) or more Persons which were Affiliates of the Company prior to such event; or
- (d) the occurrence of a transaction requiring approval of the Company’s shareholders whereby the Company is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any other Person (other than a short form amalgamation or exchange of securities with a subsidiary of the Company),

provided that, notwithstanding clauses (a), (b), (c) and (d) above, a Change in Control shall be deemed not to have occurred if immediately following the transaction set forth in clauses (a), (b), (c) or (d) above, the holders of securities of the Company that immediately prior to the consummation of such transaction represented more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors of the Company hold (x) securities of the entity resulting from such transaction (including, for greater certainty, the Person succeeding to assets of the Company in a transaction contemplated in clause (b) above) (the **“Surviving Entity”**) that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees (**“voting power”**) of the Surviving Entity, or (y) if applicable, securities of the entity that directly or indirectly has beneficial ownership of 100% of the securities eligible to elect directors or trustees of the Surviving Entity (the **“Parent Entity”**) that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees of the Parent Entity, (any such transaction which satisfies all of the criteria specified above being referred to as a **“Non-Qualifying Transaction”** and, following the Non-Qualifying Transaction, references in this definition of “Change in Control” to the “Company” shall mean and refer to the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) and, if such entity is a company or a trust, references to the “Board” shall mean and refer to the board of directors or trustees, as applicable, of such entity).

**“Committee”** has the meaning set forth in Section 3.2(b);

**“Consultant”** has the meaning set forth in Policy 4.4;



**“Control”** means the relationship whereby a Person is considered to be “controlled” by a Person if:

- (a) when applied to the relationship between a Person and a corporation, the beneficial ownership by that Person, directly or indirectly, of voting securities or other interests in such corporation entitling the holder to exercise control and direction in fact over the activities of such corporation;
- (b) when applied to the relationship between a Person and a partnership, limited partnership, trust or joint venture, means the contractual right to direct the affairs of the partnership, limited partnership, trust or joint venture; and
- (c) when applied in relation to a trust, the beneficial ownership at the relevant time of more than 50% of the property settled under the trust, and
- (d) the words “Controlled by”, “Controlling” and similar words have corresponding meanings; provided that a Person who controls a corporation, partnership, limited partnership or joint venture will be deemed to Control a corporation, partnership, limited partnership, trust or joint venture which is Controlled by such Person and so on;

**“Company”** means Hydreight Technologies Inc., a corporation duly incorporated under the laws of the Province of British Columbia, and its Affiliates, if any, and as the context requires, and includes any successor or assignee entity or entities into which the Company may be merged, changed, or consolidated; any entity for whose securities the securities of the Company shall be exchanged; and any assignee of or successor to substantially all of the assets of the Company;

**“Date of Grant”** means, for any Award, the date specified by the Plan Administrator at the time it grants the Award or if no such date is specified, the date upon which the Award was granted;

**“Deferred Share Unit”** or **“DSU”** means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Company in accordance with Article 7;

**“Director”** means a director of the Company or a subsidiary of the Company who is not an Employee;

**“Disabled”** or **“Disability”** means, with respect to a particular Participant:

- (a) “disabled” or “disability” (or any similar terms) as such terms are defined in the employment or other written agreement between the Company or a subsidiary of the Company and the Participant;
- (b) in the event there is no written or other applicable employment or other agreement between the Company or a subsidiary of the Company, or “disabled” or “disability” (or any similar terms) are not defined in such agreement, “disabled” or “disability” as such term are defined in the Award Agreement; or
- (c) in the event neither (a) or (b) apply, then the incapacity or inability of the Participant, by reason of mental or physical incapacity, disability, illness or disease (as determined by a legally qualified medical practitioner or by a court) that prevents the Participant from carrying out his or her normal and essential duties as an Employee, Director or Consultant for a continuous period of six months or for any cumulative period of 180 days in any consecutive twelve month period and is expected to continue, the foregoing subject to and as determined in accordance with procedures established by the Plan Administrator for purposes of this Plan;

**“Discounted Market Price”** has the meaning set forth in Policy 1.1;

**“Effective Date”** means the effective date of this Plan, being the date of the completion of the Qualifying Transaction (as defined in the policies of the TSX Venture Exchange) with IV Hydreight Inc., pursuant to a merger agreement dated July 12, 2022, between the Company, IV Hydreight Inc., 1203500 B.C. Ltd., a wholly own subsidiary of the Company, Victory Square Technologies Inc., and 1362795 B.C. Ltd.;

**“Elected Amount”** has the meaning set forth in Subsection 7.1(a);

**“Electing Person”** means a Participant who is, on the applicable Election Date, designated by the Plan Administrator as an Electing Person pursuant to this Plan;

**“Election Date”** means the date on which the Electing Person files an Election Notice in accordance with Subsection 7.1(b);

**“Election Notice”** has the meaning set forth in Subsection 7.1(b);

**“Employee”** has the meaning set forth in Policy 4.4;

**“ESL”** means the employment standards legislation, as amended or replaced, applicable to a Participant who is an Employee or Officer;

**“Exchange”** means the TSXV and any other exchange on which the Shares are or may be listed from time to time;

**“Exercise Notice”** means a notice in writing in the form of Schedule A hereto, signed by a Participant and stating the Participant’s intention to exercise a particular Option;

**“Exercise Price”** means the price at which an Option Share may be purchased pursuant to the exercise of an Option;

**“Expiry Date”** means, in respect of Options, the expiry date specified in the Award Agreement for an Option (which shall not be later than the tenth anniversary of the Date of Grant) or, if not so specified, means the tenth anniversary of the Date of Grant;

**“Insider”** means an “insider” as defined in the rules of the Exchange from time to time;

**“Investor Relations Service Provider”** has the meaning ascribed to such term in Policy 4.4;

**“Market Price”** at any date in respect of the Shares shall be the volume weighted average trading price of the Shares on the Exchange, for the five (5) trading days immediately preceding the Date of Grant (or, if such Shares are not then listed and posted for trading on the Exchange, on such stock exchange on which the Shares are listed and posted for trading as may be selected for such purpose by the Board). In the event that such Shares are not listed and posted for trading on any Exchange, the Market Price shall be the fair market value of such Shares as determined by the Board in its sole discretion;

**“Material Information”** has the meaning set forth in Policy 1.1;

**“Net Exercise”** has the meaning set forth in Subsection 4.6(b);

**“Net Exercise Notice”** has the meaning set forth in Subsection 4.6(b);

**“Officer”** means an Employee who is considered by the Company as an officer of the Company or a subsidiary of the Company;

**“Option”** means a right to purchase Shares under Article 4 of this Plan that is non-assignable and non-transferable, unless otherwise approved by the Plan Administrator;

**“Option Shares”** means Shares issuable by the Company upon the exercise of outstanding Options;

**“Participant”** means a Director, Officer, Employee or Consultant to whom an Award has been granted under this Plan;

**“Participant’s Employer”** means with respect to a Participant that is or was an Employee, the Company or such subsidiary of the Company as is or, if the Participant has ceased to be employed by the Company or such subsidiary of the Company, was the Participant’s Employer;

**“Performance Goals”** means performance goals expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Company, a subsidiary of the Company, a division of the Company or a subsidiary of the Company, or an individual, or may be applied to the performance of the Company or a subsidiary of the Company relative to a market index, a group of other companies or a combination thereof, or on any other basis, all as determined by the Plan Administrator in its discretion;

**“Performance Share Unit”** or **“PSU”** means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Company in accordance with Article 6;

**“Person”** means an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;

**“Plan”** means this Equity Incentive Plan, as may be amended from time to time;

**“Plan Administrator”** means the Person or Persons determined by the Board, which will initially be the Board, or if the administration of this Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

**“Policy 1.1”** means the TSXV’s Policy 1.1 – *Interpretation* as the same may be amended from time to time;

**“Policy 4.4”** means the TSXV’s Policy 4.4 – *Security Based Compensation* as the same may be amended from time to time;

**“PSU Service Year”** has the meaning set forth in Section 6.1;

**“Restricted Share Unit”** or **“RSU”** means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Company in accordance with Article 5;

**“Retirement”** means, with respect to a particular Participant:

- (a) “retirement” (or any similar term) as such term is defined in the employment or other written agreement between the Company or a subsidiary of the Company and the Participant;
- (b) in the event there is no written or other applicable employment or other agreement between the Company or a subsidiary of the Company, or “retirement” is not defined in such agreement, “retirement” as such term is defined in the Award Agreement; or
- (c) in the event neither (a) or (b) apply, the voluntary cessation of a Participant’s employment with the Company, provided that, as at the Termination Date (i) the Participant’s age is at least sixty-five (65) and the Participant has at least ten years of service with the Company or a subsidiary of the Company, (ii) the Participant is not receiving or otherwise entitled to compensation in lieu of notice of termination, severance or similar payments, and (iii) the Participant has agreed in writing not to work for a competitor of the Company for a period of at least two (2) years following the Termination Date;

**“RSU Service Year”** has the meaning set forth in Section 5.1;

**“SAR Exercise Price”** has the meaning set forth in Section 8.3;

**“SAR Fair Market Value”** means, for the purpose of determining the SAR Exercise Price for any SAR, unless otherwise determined by the Plan Administrator in its discretion to the extent permitted by the policies of the Exchange, the Market Price on the day immediately prior to the date such SAR is granted;

**“SAR Service Year”** has the meaning set forth in Section 8.1;

**“Securities Act”** means the *Securities Act* (British Columbia);

**“Securities Laws”** means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that govern or are applicable to the Company or to which it is subject;

**“Share”** means one (1) common share in the capital of the Company as constituted on the Effective Date, or any share or shares issued in replacement of such common share in compliance with Canadian law or other applicable law, or after an adjustment contemplated by Article 11, such other shares or securities to which the holder of an Award may be entitled as a result of such adjustment;

**“Stock Appreciation Right”** or **“SAR”** means a stock appreciation right granted to a Participant pursuant to the Plan in accordance with Article 8;

**“subsidiary”** means an issuer that is Controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary, or any other entity in which the Company has an equity interest and is designated by the Plan Administrator, from time to time, for purposes of this Plan to be a subsidiary;

**“Target Performance”** has the meaning given to it in Section 6.3;

**"Tax Act"** means the *Income Tax Act* (Canada);

**"Termination Date"** means, subject to applicable law which cannot be waived:

- (a) in the case of an Employee or Officer whose employment with the Company or a subsidiary of the Company terminates (regardless of whether the termination is lawful or unlawful, with or without Cause, and whether it is the Participant or the Company or a subsidiary of the Company that initiates the termination), the later of: (i) if and only to the extent required to comply with the minimum standards of ESL, the date that is the last day of any applicable minimum statutory notice period applicable to the Employee or Officer pursuant to ESL, if any; and (ii) the date designated by the Employee or Officer and such Participant's Employer as at the last day of such Employee's or Officer's employment, provided that, in the case of termination of employment by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given; and, for the avoidance of any doubt, the parties intend to displace the presumption that the Participant has any entitlements in respect of the Plan or any Options, RSUs, PSUs or DSUs during any period of reasonable notice of termination under common law or civil law in the case of either (i) or (ii), without regard to any applicable period of reasonable notice or contractual notice to which the Participant may claim to be entitled under common law, civil law or pursuant to contract in respect of a period that follows the last day that the Participant actually and actively provides services to the Company or a subsidiary of the Company, as specified in the notice of termination provided by the Employee or Officer or the Participant's Employer, as the case may be;
- (b) in the case of a Consultant whose agreement or arrangement with the Company or a subsidiary of the Company terminates, (i) the date designated by the Company or the subsidiary of the Company, as the "Termination Date" (or similar term) or expiry date in a written agreement between the Consultant and the Company or a subsidiary of the Company, or (ii) if no such written agreement exists, the date designated by the Company or a subsidiary of the Company, as the case may be, on which the Consultant ceases to be a Consultant or a service provider to the Company or the subsidiary of the Company, as the case may be, or on which the Participant's agreement or arrangement is terminated, provided that in the case of voluntary termination by the Participant of the Participant's consulting agreement or other written arrangement, such date shall not be earlier than the date notice of voluntary termination was given; in any event, the "Termination Date" shall be determined without including any period of notice that the Company or the subsidiary of the Company (as the case may be) may be required by law to provide to the Participant or any pay in lieu of notice of termination, termination fees or other damages paid or payable to the Participant; and
- (c) in the case of a Director, the date such individual ceases to be a Director, unless the individual continues to be a Participant in another capacity.

**"TSXV"** means the TSX Venture Exchange;

**"U.S." or "United States"** means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;

**"U.S. Securities Act"** means the United States *Securities Act of 1933*, as may be amended and the rules and regulations promulgated thereunder; and

**"VWAP"** mean the volume weighted average trading price of the Shares on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five trading days immediately preceding the applicable date.

## **2.2 Interpretation**

- (a) Whenever the Plan Administrator exercises discretion in the administration of this Plan, the term "discretion" means the sole and absolute discretion of the Plan Administrator.
- (b) As used herein, the terms "Article", "Section", "Subsection" and "clause" mean and refer to the specified Article, Section, Subsection and clause of this Plan, respectively.
- (c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.

- (d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.
- (e) Unless otherwise specified, all references to money amounts are to Canadian currency.
- (f) The headings used herein are for convenience only and are not to affect the interpretation of this Plan.

### **ARTICLE 3 ADMINISTRATION**

#### **3.1 Administration**

Subject to the terms herein, this Plan will be administered by the Plan Administrator and the Plan Administrator has sole and complete authority, in its discretion, to:

- (a) determine the individuals to whom grants of Awards under the Plan may be made;
- (b) make grants of Awards under the Plan relating to the issuance of Shares (including any combination of Options, RSUs, PSUs, DSUs or SARs) in such amounts, to such Persons and, subject to the provisions of this Plan, on such terms and conditions as it determines including without limitation:
  - (i) the time or times at which Awards may be granted;
  - (ii) the conditions under which:
    - (A) Awards may be granted to Participants; or
    - (B) Awards may be forfeited to the Company,
 including any conditions relating to the attainment of specified Performance Goals;
  - (iii) the number of Shares to be covered by any Award;
  - (iv) the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Awards;
  - (v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Award, and the nature of such restrictions or limitations, if any; and
  - (vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine;
- (c) establish the form or forms of Award Agreements;
- (d) cancel, amend, adjust or otherwise change any Award under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of this Plan;
- (e) construe and interpret this Plan and all Award Agreements;
- (f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws; and
- (g) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

### **3.2 Delegation to Committee**

- (a) The initial Plan Administrator shall be the Board.
- (b) To the extent permitted by applicable law, the Board may, from time to time, assume or delegate to any committee of the Board (the "Committee") all or any of the powers conferred on the Plan Administrator pursuant to this Plan, including the power to sub-delegate to any member(s) of the Committee or any specified officer(s) of the Company or its subsidiaries all or any of the powers delegated by the Board. In such event, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party.

### **3.3 Determinations Binding**

Any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration or interpretation of this Plan is final, conclusive and binding on the Company and its subsidiaries, the affected Participant(s), their legal and personal representatives and all other Persons.

### **3.4 Eligibility**

All *bona fide* Directors, Officers, Employees and Consultants are eligible to participate in the Plan, subject to Section 10.1(f). Participation in the Plan is voluntary and eligibility to participate does not confer upon any Director, Officer, Employee or Consultant any right to receive any grant of an Award pursuant to the Plan. The extent to which any Director, Officer, Employee or Consultant is entitled to receive a grant of an Award pursuant to the Plan will be determined in the discretion of the Plan Administrator. By his, her or its participation in the Plan, for so long as the Shares are listed and posted for trading on the TSXV, each of the Company and the Participant represents and warrants that the Participant is a *bona fide* Director, Officer, Employee and/or Consultant eligible to participate in the Plan pursuant to Policy 4.4.

### **3.5 Plan Administrator Requirements**

Any Award granted under this Plan shall be subject to the requirement that, if at any time the Company shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Award upon any securities exchange or under any Securities Laws of any jurisdiction, or the consent or approval of the Exchange and any securities commissions or similar securities regulatory bodies having jurisdiction over the Company is necessary as a condition of, or in connection with, the grant or exercise of such Award or the issuance or purchase of Shares thereunder, such Award may not be accepted or exercised, as applicable, in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Plan Administrator. Nothing herein shall be deemed to require the Company to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Company in complying with such legislation, rules, regulations and policies.

### **3.6 Total Shares Subject to Awards**

- (a) The aggregate number of Shares that may be reserved for issuance under this Plan, at any time, shall not exceed 9,000,000.
- (b) For the avoidance of doubt, any Shares issued by the Company through the assumption or substitution of outstanding stock options or other equity-based awards from an acquired company shall be subject to the limits on grant prescribed herein.

### **3.7 Limits on Grants of Awards**

Notwithstanding anything in this Plan, the granting of Awards shall be subject to the following conditions:

- (a) for so long as the Shares are listed and posted for trading on the TSXV, not more than two (2%) percent of the Company's issued and outstanding Shares as of the Date of Grant may be granted to any one Consultant in any 12 month period;
- (b) for so long as the Shares are listed and posted for trading on the TSXV, not more than an aggregate of two (2%) percent the Company's issued and outstanding Shares may be granted in aggregate to Investor Relations Service Providers in any 12 month period;

- (c) for so long as the Shares are listed and posted for trading on the TSXV, unless the Company has obtained disinterested shareholder approval, not more than five (5%) percent of the Company's issued and outstanding Shares as of the Date of Grant may be issued to any one Person in any 12 month period;
- (d) for so long as the Shares are listed and posted for trading on the TSXV, unless the Company has obtained disinterested shareholder approval, the Company shall not decrease the Exercise Price or extend the term of Options previously granted to Insiders;
- (e) for so long as the Shares are listed and posted for trading on the TSXV, unless the Company has obtained disinterested shareholder approval, the aggregate number of Shares issuable to Insiders (as a group) at any time under this Plan, shall not exceed ten (10%) percent of the Company's issued and outstanding Shares;
- (f) for so long as the Shares are listed and posted for trading on the TSXV, unless the Company has obtained disinterested shareholder approval, the aggregate number of Shares issuable to Insiders (as a group) within any one (1) year period under this Plan shall not exceed ten (10%) percent of the Company's issued and outstanding Shares calculated as of the date such Award is granted or issued to such Insider;
- (g) for so long as the Shares are listed and posted for trading on the TSXV, no types of Awards other than Options may be granted to Investor Relations Service Providers; and
- (h) the Plan Administrator shall not grant any Awards that may be denominated or settled in Shares to residents of the United States unless such Awards and the Shares issuable upon exercise thereof are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

If disinterested shareholder approval is required, the proposed grant(s) or plan must be approved by a majority of the votes cast by all shareholders at the shareholders' meeting, excluding votes attaching to shares beneficially owned by: (i) Insiders to whom options may be granted under the Plan; and (ii) Associates and Affiliates of such Insiders.

### **3.8 Hold Period**

All Awards and any Shares issued on the exercise of Awards may be subject to and legended with a four month hold period commencing on the date the Awards were granted pursuant to the rules of the Exchange and applicable securities laws. Any Shares issued on the exercise of Awards may be subject to resale restrictions contained in National Instrument 45-102 – *Resale of Securities* which would apply to the first trade of the Shares.

### **3.9 Awards Granted to Corporations**

Except in relation to a Consultant that is a corporation, Awards may only be granted to an individual or a corporation that is wholly-owned a Director, Officer, Employee or Consultant. For so long as the Shares are listed and posted for trading on the TSXV, if a corporation is a Participant receiving Awards, it must provide the TSXV with a completed *Certification and Undertaking Required from a Company Granted Security Based Compensation* in the form of Schedule "A" to TSXV Form 4G – *Summary Form – Security Based Compensation*. The Company must agree not to effect or permit any transfer of ownership or option of shares of the Company nor to issue further shares of any class in the Company to any other individual or entity as long as the Award remains outstanding, except with the written consent of the Exchange.

### **3.10 Award Agreements**

Each Award under this Plan will be evidenced by an Award Agreement. Each Award Agreement will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Plan Administrator may direct. Any one officer of the Company is authorized and empowered to execute and deliver, for and on behalf of the Company, an Award Agreement to each Participant granted an Award pursuant to this Plan.

### **3.11 Non-Transferability of Awards**

Except as permitted by the Plan Administrator and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect. To the extent that certain rights to exercise any portion of an outstanding

Award pass to a beneficiary or legal representative upon death of a Participant, the period in which such Award can be exercised by such beneficiary or legal representative shall not exceed one year from the Participant's death.

## **ARTICLE 4 OPTIONS**

### **4.1 Granting of Options**

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Options to any Director, Officer, Employee or Consultant. The terms and conditions of each Option grant shall be evidenced by an Award Agreement. Notwithstanding any of the foregoing provisions, the Plan Administrator may authorize the grant of an Option to a person not then in the employ of the Company or of its subsidiary, conditioned upon such person becoming a Director, Officer, Employee or Consultant at or prior to the Date of Grant of such Option.

### **4.2 Exercise Price**

The Plan Administrator will establish the Exercise Price at the time each Option is granted, provided that, for so long as the Shares are listed and posted for trading on the TSXV, the Exercise Price must in all cases be not less than the Discounted Market Price on the Date of Grant.

### **4.3 Term of Options**

- (a) Subject to any accelerated vesting or termination as set forth in this Plan, each Option expires on its Expiry Date, which may not be later than the close of business ten (10) years from the Date of Grant.
- (b) Upon the Expiry Date, the Options granted shall forthwith expire and terminate and be of no further force or effect whatsoever as to such of the Shares in respect of which the Option hereby granted has not then been exercised.

### **4.4 Vesting**

- (a) The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of Options.
- (b) Notwithstanding the foregoing, all Options granted to Investor Relations Service Providers pursuant to this Plan shall vest and become fully exercisable as follows or as determined by the Plan Administrator when the Option is granted, but in any event, such Options shall not vest any sooner than:
  - (i) one quarter ( $\frac{1}{4}$ ) of the Options on the date which is three (3) months from the Date of Grant;
  - (ii) one quarter ( $\frac{1}{4}$ ) of the Options on the date which is six (6) months from the Date of Grant;
  - (iii) one quarter ( $\frac{1}{4}$ ) of the Options on the date which is nine (9) months from the Date of Grant; and
  - (iv) the final one quarter ( $\frac{1}{4}$ ) of the Options on the date which is twelve (12) months from the Date of Grant.
- (c) Notwithstanding anything to the contrary in the Plan, no more than one quarter ( $\frac{1}{4}$ ) of such Options granted to Investor Relations Service Providers may vest in any three month period.

### **4.5 Exercisability**

- (a) Once an Option becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as may be otherwise set forth in any written employment agreement, consulting agreement, Award Agreement or other written agreement between the Company or a subsidiary of the Company and the Participant. Each vested Option may be exercised at any time or from time to time, in whole or in part, for up to the total number of Option Shares with respect to which it is then exercisable. The Plan Administrator has the right to accelerate the date upon which any Option becomes exercisable.



- (b) Subject to the provisions of this Plan and any Award Agreement, Options shall be exercised by means of a fully completed Exercise Notice delivered to the Company.
- (c) The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in Section 4.4, such as vesting conditions relating to the attainment of specified Performance Goals.

#### **4.6 Payment of Exercise Price**

- (a) Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular Award Agreement, the Exercise Notice must be accompanied by payment of the Exercise Price. The Exercise Price must be fully paid by certified cheque, wire transfer, bank draft or money order payable to the Company or by such other means as might be specified from time to time by the Plan Administrator, which, to the extent permitted by and otherwise subject to the rules and policies of the Exchange, may include (i) through the Net Exercise process set out in Section 4.6(b), (ii) through the Cashless Exercise process set out in Section 4.6(c), or (iii) by any combination thereof. The Plan Administrator may at any time or from time to time grant Options which do not permit all of the foregoing forms of consideration to be used in payment of the Exercise Price or which otherwise restrict one or more forms of consideration.
- (b) A Participant may elect to exercise an Option without payment of the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Option (a "Net Exercise") by delivering a net exercise notice in the form of Schedule B hereto (the "Net Exercise Notice") to the Plan Administrator. Upon receipt by the Plan Administrator of a Net Exercise Notice from a Participant, the Company shall calculate and issue to such Participant that number of Shares as is determined by application of the following formula:

$$X=[Y(A-B)]/A$$

Where:

**X** = the number of Shares to be issued to the Participant upon the Net Exercise

**Y** = the number of Shares underlying the Options being exercised

**A** = the VWAP as at the date of the Net Exercise Notice, if such VWAP is greater than the Exercise Price

**B** = the Exercise Price of the Options being exercised

The Company may, but is not obligated to accept, any Net Exercise of which it receives notice. If the Company does accept such Net Exercise, no fractional Shares will be issued to any Participant or the Personal Representative of the Participant electing a Net Exercise. If the number of Shares to be issued to the Participant in the event of a Net Exercise would otherwise include a fraction of a Share, the Company will pay a cash amount to such Participant equal to (i) the fraction of a Share otherwise issuable multiplied by (ii) the value attributed to "A" in the formula set out above.

- (c) Subject to the Company having established a program or procedure pursuant to this Section 4.6(c), a Participant may elect to exercise such Options on a cashless basis (a "Cashless Exercise"). A "Cashless Exercise" means the exercise of an Option where the Company has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to the Participant to purchase the Shares underlying the Option and then the brokerage firm sells a sufficient number of Shares to cover the exercise price of the Option in order to repay the loan made to the Participant and receives an equivalent number of Shares from the exercise of the Options as were sold to cover the loan and the Participant then receives the balance of the Shares or the cash proceeds from the balance of the Shares. Pursuant to a Cashless Exercise, a Participant shall deliver a properly executed Exercise Notice together with irrevocable instructions to a broker providing for assignment to the Company of the proceeds of a sale or loan with respect to some or all of the Shares being acquired upon the exercise of the Option. The Company reserves the right, in the Company's sole and absolute discretion, to establish, decline to approve or terminate any program or procedures for the exercise of Options by means of a Cashless Exercise, including with respect to one or more Participants specified by the Company notwithstanding that such program or procedures may be available to other Participants.

## **ARTICLE 5**

### **RESTRICTED SHARE UNITS**

#### **5.1 Granting of RSUs**

- (a) The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any Participant in respect of services rendered by the applicable Participant in a taxation year (the "RSU Service Year"). The terms and conditions of each RSU grant may be evidenced by an Award Agreement. Each RSU will consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 5.4(a)), upon the settlement of such RSU.
- (b) The number of RSUs (including fractional RSUs) granted at any particular time pursuant to this Article 5 will be calculated by dividing (i) the amount of any payment that is to be paid in RSUs (including the elected amount as applicable), as determined by the Plan Administrator, by (ii) the greater of (A) the Market Price of a Share on the Date of Grant; (B) such amount as determined by the Plan Administrator in its discretion; and (C) for so long as the Shares are listed and posted for trading on the TSXV, the Discounted Market Price of a Share on the Date of Grant.

#### **5.2 RSU Account**

All RSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Company, as of the Date of Grant.

#### **5.3 Vesting of RSUs**

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of RSUs, provided that, for so long as the Shares are listed and posted for trading on the TSXV, no RSUs may vest before the date that is one year following the Date of Grant.

#### **5.4 Settlement of RSUs**

- (a) The Plan Administrator shall have the sole authority to determine the settlement terms applicable to the grant of RSUs. Except as otherwise provided in an Award Agreement, on the settlement date for any RSU, each vested RSU shall be redeemed for:
  - (i) one (1) fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct,
  - (ii) a cash payment, or
  - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,
  - (iv) in each case as determined by the Plan Administrator in its discretion.
- (b) Any cash payments made under this Section 5.4 by the Company to a Participant in respect of RSUs to be redeemed for cash shall be calculated by multiplying the number of RSUs to be redeemed for cash by the greater of: (i) the Market Price per Share; and (ii) for so long as the Shares are listed and posted for trading on the TSXV, the Discounted Market Price, in each case as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested RSUs may be made through the Company's payroll in the pay period that the settlement date falls within.
- (d) Notwithstanding any other terms of this Plan and except as otherwise provided in an Award Agreement, no settlement date for any RSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any RSU, under this Section 5.4 any later than the final Business Day of the third calendar year following the applicable RSU Service Year.
- (e) No RSU holder who is resident in the United States may settle RSUs for Shares unless the Shares issuable upon settlement of the RSUs are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

## ARTICLE 6 PERFORMANCE SHARE UNITS

### 6.1 Granting of PSUs

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any Participant in respect of services rendered by the applicable Participant in a taxation year (the “**PSU Service Year**”). The terms and conditions of each PSU grant shall be evidenced by an Award Agreement. Each PSU will consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 6.6(a), upon the achievement of such Performance Goals during such performance periods as the Plan Administrator shall establish.

### 6.2 Terms of PSUs

The Performance Goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the termination of a Participant’s employment and the amount of any payment or transfer to be made pursuant to any PSU will be determined by the Plan Administrator and by the other terms and conditions of any PSU, all as set forth in the applicable Award Agreement.

### 6.3 Performance Goals

The Plan Administrator will issue Performance Goals prior to the Date of Grant to which such Performance Goals pertain. The Performance Goals may be based upon the achievement of corporate, divisional or individual goals, and may be applied to performance relative to an index or comparator group, or on any other basis determined by the Plan Administrator. The Plan Administrator may modify the Performance Goals as necessary to align them with the Company’s corporate objectives, subject to any limitations set forth in an Award Agreement or an employment or other agreement with a Participant. The Performance Goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur) (“**Target Performance**”), and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur), all as set forth in the applicable Award Agreement.

### 6.4 PSU Account

All PSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Company, as of the Date of Grant.

### 6.5 Vesting of PSUs

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of PSUs, provided that, for so long as the Shares are listed and posted for trading on the TSXV, no PSUs may vest before the date that is one year following the Date of Grant.

### 6.6 Settlement of PSUs

- (a) The Plan Administrator shall have the authority to determine the settlement terms applicable to the grant of PSUs. Except as otherwise provided in an Award Agreement, on the settlement date for any PSU, each vested PSU shall be redeemed for:
  - (i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct;
  - (ii) a cash payment; or
  - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,in each case as determined by the Plan Administrator in its discretion.
- (b) Any cash payments made under this Section 6.6 by the Company to a Participant in respect of PSUs to be redeemed for cash shall be calculated by multiplying the number of PSUs to be redeemed for cash by the greater of: (i) the Market Price per Share; and (ii) for so long as the Shares are listed and posted for trading on the TSXV, the Discounted Market Price, in each case as at the settlement date.

- (c) Payment of cash to Participants on the redemption of vested PSUs may be made through the Company's payroll in the pay period that the settlement date falls within.
- (d) Notwithstanding any other terms of this Plan and except as otherwise provided in an Award Agreement, no settlement date for any PSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any PSU, under this Section 6.6 any later than the final Business Day of the third calendar year following the applicable PSU Service Year.
- (e) No PSU holder who is resident in the United States may settle PSUs for Shares unless the Shares issuable upon settlement of the PSUs are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

## ARTICLE 7 DEFERRED SHARE UNITS

### 7.1 Granting of DSUs

- (a) The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, determine that a portion of the compensation payable to a Participant be payable in the form of DSUs. Additionally, subject to the prior approval of the Plan Administrator, each Electing Person is given, subject to the conditions stated herein, the right to elect in accordance with Section 7.1(b) to participate in the grant of additional DSUs pursuant to this Article 7. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this Article 7 shall receive their Elected Amount (as that term is defined below) in the form of DSUs. The "Elected Amount" shall be an amount, as elected by the Electing Person, in accordance with applicable tax law, between 0% and 100% of any compensation that would otherwise be paid in cash (the "Cash Fees").
- (b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs will be required to file a notice of election in the form of Schedule C hereto (the "Election Notice") with the Chief Financial Officer of the Company: (i) in the case of an existing Electing Person, by December 31st in the year prior to the year to which such election is to apply (other than for compensation payable for the 2022 financial year, in which case any Electing Person shall file the Election Notice by the date that is 30 days from the Effective Date with respect to compensation paid for services to be performed after such date); and (ii) in the case of a newly designated Electing Person, within 30 days of such designation with respect to compensation paid for services to be performed after such date. If no election is made within the foregoing time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.
- (c) Subject to Subsection 7.1(d), the designation of an Electing Person under Subsection 7.1(b) shall be deemed to apply to all Cash Fees paid subsequent to the filing of the Election Notice, and such Electing Person is not required to file another Election Notice for subsequent calendar years.
- (d) Each Electing Person is entitled once per calendar year to terminate his or her election to receive DSUs by filing with the Chief Financial Officer of the Company a termination notice in the form of Schedule D hereto. Such termination shall be effective immediately upon receipt of such notice, provided that the Company has not imposed a Blackout Period. Thereafter, any portion of such Electing Person's Cash Fees payable or paid in the same calendar year and, subject to complying with Subsection 7.1(b), all subsequent calendar years shall be paid in cash. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this Article 7, he or she shall not be entitled to elect to receive the Elected Amount, or any other amount of his or her Cash Fees in DSUs again until the calendar year following the year in which the termination notice is delivered.
- (e) Any DSUs granted pursuant to this Article 7 prior to the delivery of a termination notice pursuant to Section 7.1(d) shall remain in the Plan following such termination and will be redeemable only in accordance with the terms of the Plan.
- (f) The number of DSUs (including fractional DSUs) granted at any particular time pursuant to this Article 7 will be calculated by dividing (i) the amount of any compensation that is to be paid in DSUs (including any Elected Amount), by (ii) the greater of: (A) the Market Price of a Share on the Date of Grant; and (B) for so long as the Shares are listed and posted for trading on the TSXV, the Discounted Market Price of a Share on the Date of Grant.

- (g) In addition to the foregoing, the Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant DSUs to any Participant.
- (h) For avoidance of doubt, all DSUs granted pursuant to the Plan shall be subject to the limits on grant prescribed herein.

## **7.2 DSU Account**

All DSUs received by a Participant (which, for greater certainty includes Electing Persons) shall be credited to an account maintained for the Participant on the books of the Company, as of the Date of Grant. The terms and conditions of each DSU grant may be evidenced by an Award Agreement.

## **7.3 Vesting of DSUs**

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of DSUs, provided that, for so long as the Shares are listed and posted for trading on the TSXV, no DSUs may vest before the date that is one year following the Date of Grant.

## **7.4 Settlement of DSUs**

- (a) DSUs shall be settled on the date established in the Award Agreement; provided, however that if there is no Award Agreement or the Award Agreement does not establish a date for the settlement of the DSUs, then, the settlement date shall be the date determined by the Participant; provided that, in the case of a Participant who is a Canadian Taxpayer, the settlement date shall be no earlier than the date on which the Participant ceases to be a Director and no later than the last Business Day of the immediately following calendar year. On the settlement date for any DSU, each vested DSU shall be redeemed for:
  - (i) one (1) fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct;
  - (ii) a cash payment; or
  - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,in each case as determined by the Plan Administrator in its discretion.
- (b) Any cash payments made under this Section 7.4 by the Company to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the greater of: (i) the Market Price per Share; and (ii) for so long as the Shares are listed and posted for trading on the TSXV, the Discounted Market Price, in each case as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested DSUs may be made through the Company's payroll or in such other manner as determined by the Company.
- (d) No DSU holder who is resident in the United States may settle DSUs for Shares unless the Shares issuable upon settlement of the DSUs are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

## **7.5 No Additional Amount or Benefit**

For greater certainty, neither a Director to whom DSUs are granted nor any person with whom such Director does not deal at arm's length (for purposes of the Tax Act) shall be entitled, either immediately or in the future, either absolutely or contingently, to receive or obtain any amount or benefit granted or to be granted for the purpose of reducing the impact, in whole or in part, of any reduction in the fair market value of the Shares to which the DSUs relate.

## ARTICLE 8 STOCK APPRECIATION RIGHTS

### 8.1 Granting of SARs

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant SARs to any Participant in respect of services rendered by the applicable Participant in a taxation year (the “**SAR Service Year**”). The terms and conditions of each SAR grant shall be evidenced by an Award Agreement. Each SAR will consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 8.4(a), upon the achievement of such Performance Goals during such performance periods as the Plan Administrator shall establish.

### 8.2 Vesting of SARs

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of SARs, provided that, for so long as the Shares are listed and posted for trading on the TSXV, no SARs may vest before the date that is one year following the Date of Grant.

### 8.3 SAR Exercise Price

The exercise price per Share under each SAR (the “**SAR Exercise Price**”) shall be the fair market value of the Shares, expressed in terms of money, as determined by the Plan Administrator, in its sole discretion, provided that such price may not be less than the SAR Fair Market Value or such other minimum price as may be permitted under the applicable rules and regulations of all regulatory authorities to which the Company is subject, including the Exchange.

### 8.4 Settlement of SARs

- (a) The Plan Administrator shall have the sole authority to determine the settlement terms applicable to the grant of SARs. Except as otherwise provided in an Award Agreement, on the settlement date for any SAR, each vested SAR shall be redeemed for:
  - (i) that number or fraction of fully paid and non-assessable Shares issued from treasury to the Participant or as the Participant may direct as is equal to a fraction, the numerator of which is the Market Price minus the SAR Exercise Price and the denominator of which is the Market Price,
  - (ii) a cash payment, or
  - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,in each case as determined by the Plan Administrator in its discretion.
- (b) Any cash payments made under this Section 8.4 by the Company to a Participant in respect of SARs to be redeemed for cash shall be calculated by multiplying the number of Shares issuable on settlement of the SARs pursuant to Section 8.4(a) in respect of SARs to be redeemed for cash by the greater of: (i) the Market Price per Share; and (ii) for so long as the Shares are listed and posted for trading on the TSXV, the Discounted Market Price, in each case as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested SARs may be made through the Company's payroll in the pay period that the settlement date falls within.
- (d) Notwithstanding any other terms of this Plan and except as otherwise provided in an Award Agreement, no settlement date for any SAR shall occur, and no Share shall be issued or cash payment shall be made in respect of any SAR, under this Section 8.4 any later than the final Business Day of the third calendar year following the applicable SAR Service Year.
- (e) No SAR holder who is resident in the United States may settle SARs for Shares unless the Shares issuable upon settlement of the SARs are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

## **ARTICLE 9**

### **ADDITIONAL AWARD TERMS**

#### **9.1 Dividend Equivalents**

- (a) Unless otherwise determined by the Plan Administrator and set forth in the particular Award Agreement, an Award of RSUs, PSUs, DSUs and SARs shall include the right for such RSUs, PSUs, DSUs and SARs to be credited with dividend equivalents in the form of additional RSUs, PSUs, DSUs and SARs, respectively, as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of RSUs, PSUs, DSUs and SARs, as applicable, held by the Participant on the record date for the payment of such dividend, by (b) the Market Price at the close of the first Business Day immediately following the dividend record date, with fractions computed to three decimal places. Dividend equivalents credited to a Participant's account shall vest in proportion to the RSUs, PSUs, DSUs and SARs to which they relate, and shall be settled in accordance with Subsections 5.4, 6.6, 7.4 and 8.4 respectively.
- (b) The foregoing does not obligate the Company to declare or pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.
- (c) For avoidance of doubt, all additional RSUs, PSUs, and DSUs credited as dividend equivalents pursuant to the Plan shall be subject to the limits on grant prescribed herein. In the event the issuance of additional RSUs, PSUs, and DSUs credited as dividend equivalents pursuant to the Plan shall otherwise result in a breach of the terms of the Plan, the Plan Administrator shall be entitled to make a binding determination with respect to the settlement of such dividend equivalents whether by payment of cash, in its sole and binding discretion.

#### **9.2 Blackout Period**

If an Award expires during a routine or special trading Blackout Period, then, notwithstanding any other provision of this Plan, unless the delayed expiration would result in negative tax consequences, the Award shall expire five (5) Business Days after the Blackout Period is lifted by the Company; and provided that, (i) the Blackout Period must be deemed to have expired upon the general disclosure of the undisclosed Material Information, and (ii) the automatic extension of an Award will not be permitted where the Participant or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities.

#### **9.3 Withholding Taxes**

Notwithstanding any other terms of this Plan, the granting, vesting or settlement of each Award under this Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or settlement, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Company the minimum amount as the Company or a subsidiary of the Company is obliged to withhold or remit to the relevant taxing authority in respect of the granting, vesting or settlement of the Award. Any such additional payment is due no later than the date on which such amount with respect to the Award is required to be remitted to the relevant tax authority by the Company or a subsidiary of the Company, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Company or any Affiliate may (a) withhold such amount from any remuneration or other amount payable by the Company or any Affiliate to the Participant, (b) require the sale, on behalf of the applicable Participant, of a number of Shares issued upon exercise, vesting, or settlement of such Award and the remittance to the Company of the net proceeds from such sale sufficient to satisfy such amount, or (c) enter into any other suitable arrangements for the receipt of such amount.

#### **9.4 Recoupment**

Notwithstanding any other terms of this Plan, Awards may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Company or the relevant subsidiary of the Company, or as set out in the Participant's employment agreement, consulting agreement, Award Agreement or other written agreement, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 9.4 to any Participant or category of Participants.

**ARTICLE 10**  
**TERMINATION OF EMPLOYMENT OR SERVICES**

**10.1 Termination of Officer, Employee, Consultant or Director**

Subject to Section 10.2, unless otherwise determined by the Plan Administrator or as set forth in an employment agreement, consulting agreement, Award Agreement or other written agreement:

- (a) where a Participant's employment, consulting or other agreement or arrangement is terminated or the Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant, termination by the Company or a subsidiary of the Company (whether such termination occurs for, or without Cause, with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice) then, subject to applicable law that cannot be waived by the Participant:
  - (i) each Award held by the Participant that has not vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Awards; and
  - (ii) each Award held by a Participant that has vested may, subject to Sections 5.4(d) and 6.6(d) where applicable), be exercised, settled or surrendered to the Company by the Participant at any time during the period that terminates on the date that is 90 days after the Termination Date. Any Award that has not been exercised, settled or surrendered at the end of such period shall be immediately forfeited and cancelled for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Awards;
- (b) where a Participant's employment, consulting or other agreement or arrangement is terminated by reason of the death of the Participant, then each Award held by the Participant that has not vested as of the date of the death of such Participant shall vest on such date and may, subject to Sections 5.4(d), 6.6(d) and 8.4(d) (where applicable), be exercised, settled or surrendered to the Company by the Participant at any time during the period that terminates on the first anniversary of the date of the death of such Participant provided that with respect to any PSUs held by such Participant, the attainment of Performance Goals shall be assessed on the basis of actual achievement of the Performance Goals up to the date of death of such Participant, if the applicable performance period has been completed and the Company can determine if the Performance Goals have been attained, failing which the Company will assume Target Performance. Any Award that has not been exercised, settled or surrendered at the end of such period shall be immediately forfeited and cancelled for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Awards;
- (c) where a Participant's employment, consulting or other agreement, or arrangement terminates on account of him or her becoming Disabled, then a portion of any Award held by the Participant that has not vested as of the date of the Disability of such Participant shall vest on such date, such portion to be equal to the number of unvested Awards held by the Participant as of the date of Disability multiplied by a fraction the numerator of which is the number of days between the Date of Grant and the date of the Disability and the denominator of which is the number of days between the Date of Grant and the date any unvested Awards were originally scheduled to vest, and may, subject to Sections 5.4(d), 6.6(d), 7.4(a) and 8.4(d) (where applicable), be exercised, settled or surrendered to the Company by the Participant at any time during the period that terminates on the first anniversary of the date such Participant became Disabled provided that with respect to any PSUs held by such Participant, the attainment of Performance Goals shall be assessed on the basis of actual achievement of the Performance Goals up to the Termination Date, if the applicable performance period has been completed and the Company can determine if the Performance Goals have been attained, failing which the Company will assume Target Performance. Any Award that remains unexercised or has not been surrendered to the Company by the Participant shall be immediately forfeited upon the termination of such period;
- (d) where a Participant's employment, consulting or other agreement or arrangement is terminated due to Retirement, then each Award held by the Participant that has not vested as of the date of such Retirement shall continue to vest for a period of twelve (12) months following the date of such Retirement in accordance with its terms and, if any such Awards vest, shall be exercised, settled or surrendered to the Company by the Participant in accordance with this Plan; provided that with respect to any PSUs held by such Participant, the attainment of Performance Goals shall be assessed on the basis of actual achievement of



the Performance Goals up to the Termination Date, if the applicable performance period has been completed and the Company can determine if the Performance Goals have been attained, failing which the Company will assume Target Performance. Notwithstanding the foregoing, if, following his or her Retirement, the Participant breaches the terms of any restrictive covenant in the Participant's written or other applicable employment or other agreement with the Company or a subsidiary of the Company, any Award held by the Participant that has not been exercised, surrendered or settled shall be immediately forfeited and cancelled for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Awards. For avoidance of doubt, if any Awards have not: (i) vested; or (ii) been exercised, settled or surrendered to the Company by the Participant in accordance with this Plan, in each case, prior to the twelve (12) month anniversary of the date of Retirement, all such unvested and/or unexercised, unsettled or unsurrendered Awards shall be immediately forfeited and cancelled for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Awards;

- (e) a Participant's eligibility to receive further grants of Awards under this Plan ceases as of the earliest of the following:
  - (i) the Termination Date; or
  - (ii) the date of the death, Disability, Retirement or the date notice is given of the resignation of the Participant; and
- (f) notwithstanding Subsection 10.1(a), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Awards are not affected by a change of employment or consulting agreement or arrangement, or directorship within or among the Company or a subsidiary of the Company for so long as the Participant continues to be a Director, Officer, Employee or Consultant, as applicable, of the Company or a subsidiary of the Company.

## **10.2 Discretion to Permit Acceleration**

Notwithstanding the provisions of Section 10.1, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in such Section, or in an employment agreement, consulting agreement, Award Agreement or other written agreement between the Company or a subsidiary of the Company and the Participant, permit the acceleration of vesting of any or all Awards or waive termination of any or all Awards, all in the manner and on the terms as may be authorized by the Plan Administrator. Notwithstanding the foregoing, for so long as the Shares are listed and posted for trading on the Exchange, the Plan Administrator may only permit the acceleration of vesting Awards in compliance with Policy 4.4.

## **ARTICLE 11 EVENTS AFFECTING THE COMPANY**

### **11.1 General**

The existence of any Awards does not affect in any way the right or power of the Company or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the Company's capital structure or its business, or any amalgamation, combination, arrangement, merger or consolidation involving the Company, to create or issue any bonds, debentures, Shares or other securities of the Company or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this Article 11 would have an adverse effect on this Plan or on any Award granted hereunder.

### **11.2 Change in Control**

Except as may be set forth in an employment agreement, consulting agreement, Award Agreement or other written agreement between the Company or a subsidiary of the Company and the Participant:

- (a) Notwithstanding anything else in this Plan or any Award Agreement, the Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause (i) the conversion or exchange of any outstanding Awards into or for, rights or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity

participating in or resulting from a Change in Control; (ii) outstanding Awards to vest and become exercisable, realizable, or payable, or restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such merger or Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such merger or Change in Control; (iii) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights, then such Award may be terminated by the Company without payment); (iv) the replacement of such Award with other rights or property selected by the Board in its sole discretion; or (v) any combination of the foregoing. In taking any of the actions permitted under this Section 11.2, the Plan Administrator will not be required to treat all Awards similarly in the transaction. Notwithstanding the foregoing, in the case of Options held by a Canadian Taxpayer, the Plan Administrator may not cause the Canadian Taxpayer to receive (pursuant to this Subsection (a)) any property in connection with a Change in Control other than rights to acquire shares of a corporation or units of a "mutual fund trust" (as defined in the Tax Act), of the Company or a "qualifying person" (as defined in the Tax Act) that does not deal at arm's length (for purposes of the Tax Act) with the Company, as applicable, at the time such rights are issued or granted. For avoidance of doubt, for so long as the Shares are listed and posted for trading on the Exchange, the Plan Administrator may only permit the acceleration of vesting Awards in compliance with Policy 4.4;

- (b) Notwithstanding Section 10.1, and except as otherwise provided in a written employment or other agreement between the Company or a subsidiary of the Company and a Participant, if within 12 months following the completion of a transaction resulting in a Change in Control, a Participant's employment, consultancy or directorship is terminated by the Company or a subsidiary of the Company without Cause:
  - (i) any unvested Awards held by the Participant at the Termination Date may vest in the sole discretion of the Plan Administrator; and
  - (ii) any vested Awards of Participants may, subject to Sections 5.4(d), 6.6(d) and 8.4(d) (where applicable), be exercised, settled or surrendered to the Company by such Participant at any time during the period that terminates on the date that is 90 days after the Termination Date, with any Award that has not been exercised, settled or surrendered at the end of such period shall be immediately forfeited and cancelled for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Awards.
- (c) Notwithstanding Section 11.2(a) and unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Shares will cease trading on an Exchange, then the Company may terminate all of the Awards, other than an Option held by a Canadian Taxpayer for the purposes of the Tax Act, granted under this Plan at the time of and subject to the completion of the Change in Control transaction by paying to each holder at or within a reasonable period of time following completion of such Change in Control transaction an amount for each Award equal to the fair market value of the Award held by such Participant as determined by the Plan Administrator, acting reasonably, at or within a reasonable period of time following completion of such Change in Control transaction.

### **11.3 Reorganization of Company's Capital**

Should the Company effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Company that does not constitute a Change in Control and that would warrant the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

### **11.4 Other Events Affecting the Company**

In the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Company and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that warrants the amendment or replacement of any existing Awards in order to adjust the number and/or

type of Shares that may be acquired on the vesting of outstanding Awards or by reference to which such Awards may be settled (as applicable), and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

### **11.5 Immediate Acceleration of Awards**

In taking any of the steps provided in Sections 11.3 and 11.4 the Plan Administrator will not be required to treat all Awards similarly and where the Plan Administrator determines that the steps provided in Sections 11.3 and 11.4 would not preserve proportionately the rights, value and obligations of the Participants holding such Awards in the circumstances or otherwise determines that it is appropriate, the Plan Administrator may, but is not required to, permit the immediate vesting of any unvested Awards.

### **11.6 Issue by Company of Additional Shares**

Except as expressly provided in this Article 11, neither the issue by the Company of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Awards.

### **11.7 Fractions**

No fractional Shares will be issued pursuant to an Award and all fractions will be rounded down to the nearest whole number of Shares. Accordingly, if, as a result of any adjustment under this Article 11, a dividend equivalent or otherwise, a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

## **ARTICLE 12 AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN**

### **12.1 Amendment, Suspension, or Termination of the Plan**

The Plan Administrator may from time to time, subject to the approval of the Exchange and/or holders of voting shares of the Company if so required in accordance with the policies of the Exchange and/or applicable laws, amend, modify, change, suspend or terminate the Plan or any Awards granted pursuant to the Plan as it, in its discretion determines appropriate, provided, however, no such amendment, modification, change, suspension or termination of the Plan or any Awards granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable Securities Laws or Exchange requirements.

### **12.2 Shareholder Approval**

Notwithstanding Section 12.1 and subject to any rules of the Exchange, approval of the holders of Shares shall be required for, *inter alia*, any amendment, modification or change that:

- (a) increases the percentage of the Company's issued and outstanding Shares from time to time that can be reserved for issuance under the Plan, except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital;
- (b) increases or removes the 10% limits on Shares issuable or issued to Insiders as set forth in Subsections 3.7(e) and 3.7(f);
- (c) reduces the exercise price of an Award (for this purpose, a cancellation or termination of an Award of a Participant prior to its Expiry Date for the purpose of reissuing an Award to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Award) except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital;

- (d) extends the term of an Award beyond the original Expiry Date (except where an Expiry Date would have fallen within a Blackout Period applicable to the Participant or within five (5) business days following the expiry of such a Blackout Period);
- (e) permits an Award to be exercisable beyond 10 years from its Date of Grant (except where an Expiry Date would have fallen within a Blackout Period of the Company);
- (f) increases or removes the limits on the participation of Directors;
- (g) permits Awards to be transferred to a Person;
- (h) changes the eligible participants of the Plan;
- (i) is a matter expressly subject to approval of the holders of Shares pursuant to the applicable rules of the Exchange; or
- (j) deletes or reduces the range of amendments which require approval of shareholders under this Section 12.2,

and in the case of Subsections (a), (b), (c) and (f), such approval must be obtained from disinterested shareholders of the Company.

### **12.3 Permitted Amendments**

Without limiting the generality of Section 12.1, but subject to Section 12.2 and any rules of the Exchange, the Plan Administrator may, without shareholder approval, at any time or from time to time, amend the Plan for the purposes of:

- (a) making any amendments to the general vesting provisions of each Award provided that such amendments do not have the effect of altering the scope, nature and intent of the amended provisions;
- (b) making any amendments to the provisions set out in Article 10, provided that, for so long as the Shares are listed and posted for trading on the TSXV, shareholder approval shall be required for such amendments;
- (c) making any amendments to add covenants of the Company for the protection of Participants, as the case may be, provided that the Plan Administrator shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants and do not have the effect of altering the scope, nature and intent of the amended provisions, as the case may be;
- (d) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Plan Administrator, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Plan Administrator shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and Directors and do not have the effect of altering the scope, nature and intent of the amended or modified provisions; or
- (e) making such changes or corrections which, on the advice of counsel to the Company, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Plan Administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants and do not have the effect of altering the scope, nature and intent of the changed or corrected provisions.

## **ARTICLE 13 MISCELLANEOUS**

### **13.1 Legal Requirement**

The Company is not obligated to grant any Awards, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its discretion, such action would constitute a violation by a Participant or the Company of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed.

### **13.2 No Other Benefit**

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of a Share, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

### **13.3 Rights of Participant**

No Participant has any claim or right to be granted an Award and the granting of any Award is not to be construed as giving a Participant a right to remain as an Employee, Officer, Consultant or Director. No Participant has any rights as a shareholder of the Company in respect of Shares issuable pursuant to any Award until the allotment and issuance to such Participant, or as such Participant may direct, of certificates representing such Shares.

### **13.4 Corporate Action**

Nothing contained in this Plan or in an Award shall be construed so as to prevent the Company from taking corporate action which is deemed by the Company to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or any Award.

### **13.5 Conflict**

In the event of any conflict between the provisions of this Plan and an Award Agreement, the provisions of the Award Agreement shall govern. In the event of any conflict between or among the provisions of this Plan or any Award Agreement, on the one hand, and a Participant's employment agreement with the Company or a subsidiary of the Company, as the case may be, on the other hand, the provisions of the employment agreement or other written agreement shall prevail.

### **13.6 Anti-Hedging Policy**

By accepting an Award each Participant acknowledges that he or she is restricted from purchasing financial instruments such as 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 Awards.

### **13.7 Participant Information**

Each Participant shall provide the Company with all information (including personal information) required by the Company in order to administer the Plan. Each Participant acknowledges that information required by the Company in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such persons (including persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Company to make such disclosure on the Participant's behalf.

### **13.8 Participation in the Plan**

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Company to ensure the continued employment or engagement of such Participant. The Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Shares. The Company does not assume responsibility for the income or other tax consequences for the Participants and Directors and they are advised to consult with their own tax advisors.

### **13.9 International Participants**

With respect to Participants who reside or work outside Canada, the Plan Administrator may, in its discretion, amend, or otherwise modify, without shareholder approval, the terms of the Plan or Awards with respect to such Participants in order to conform such terms with the provisions of local law, and the Plan Administrator may, where appropriate, establish one or more sub-plans to reflect such amended or otherwise modified provisions.

### **13.10 Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Company and its subsidiaries.

### **13.11 General Restrictions or Assignment**

Except as required by law, the rights of a Participant under the Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant unless otherwise approved by the Plan Administrator.

### **13.12 Severability**

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

### **13.13 Rights to Compensation or Damages**

The Plan displaces any and all common law and civil law rights the Participant may have or claim to have in respect of any Awards, including any right to damages. The foregoing shall apply, regardless of: (i) the reason for the termination of the Participant's employment, term of office or service arrangement; (ii) whether such termination is lawful or unlawful, with or without Cause; (iii) whether it is the Participant or the Company or a subsidiary of the Company that initiates the termination; and (iv) any fundamental changes, over time, to the terms and conditions applicable to the Participant's employment, term of office or service arrangement.

### **13.14 Notices**

All written notices to be given by a Participant to the Company shall be delivered personally, e-mail or mail, postage prepaid, addressed as follows:

Hydreight Technologies Inc.  
750 West Pender Street  
Suite 401  
Vancouver, British Columbia  
V6C 2T7

Attention: Chief Financial Officer

All notices to a Participant will be addressed to the principal address of the Participant on file with the Company. Either the Company or the Participant may designate a different address by written notice to the other. Such notices are deemed to be received, if delivered personally or by e-mail, on the date of delivery, and if sent by mail, on the fifth Business Day following the date of mailing. Any notice given by either the Participant or the Company is not binding on the recipient thereof until received.

### **13.15 Effective Date**

This Plan becomes effective on a date to be determined by the Plan Administrator, subject to the approval of the shareholders of the Company.

### **13.16 Governing Law**

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without any reference to conflicts of law rules.

### **13.17 Submission to Jurisdiction**

The Company and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of British Columbia in respect of any action or proceeding relating in any way to the Plan, including, without limitation, with respect to the grant of Awards and any issuance of Shares made in accordance with the Plan.

**SCHEDULE A**

**HYDREIGHT TECHNOLOGIES INC.  
FIXED EQUITY INCENTIVE PLAN  
(THE "PLAN")**

**EXERCISE NOTICE**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

The undersigned hereby irrevocably gives notice of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

(a) all of the Shares; or

(b) \_\_\_\_\_ of the Shares;

which are the subject of the Award Agreement.

The undersigned tenders herewith a certified cheque or bank draft (circle one) payable to the Company in an amount equal to the aggregate Exercise Price of the aforesaid Shares exercised and directs the Company to issue the certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By executing this Exercise Notice, the undersigned hereby confirms that the undersigned has read the Plan and agrees to be bound by the provisions of the Plan.

DATED \_\_\_\_\_.

\_\_\_\_\_  
Signature of Option Holder

**SCHEDULE B**

**HYDREIGHT TECHNOLOGIES INC.  
FIXED EQUITY INCENTIVE PLAN  
(THE "PLAN")**

**NET EXERCISE NOTICE**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

The undersigned hereby irrevocably gives notice, pursuant to the Plan, of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

(a) all of the Shares; or

(b) \_\_\_\_\_ of the Shares;

which are the subject of the Award Agreement.

Pursuant to Section 4.6 of the Plan and the approval of the Plan Administrator, the number of Shares to be issued in accordance with the instructions of the undersigned shall be as is determined by application of the following formula, after deduction of any income tax or other amounts required by law to be withheld:

$$X=[Y(A-B)]/A$$

Where:

**X** = the number of Shares to be issued to the Participant upon the Net Exercise

**Y** = the number of Shares underlying the Options being exercised

**A** = the VWAP as at the date of the Net Exercise Notice, if such VWAP is greater than the Exercise Price

**B** = the Exercise Price of the Options being exercised

No fractional Shares will be issued upon the undersigned making a Net Exercise. If the number of Shares to be issued to the Participant in the event of a Net Exercise would otherwise include a fraction of a Share, the Company will pay a cash amount to such Participant equal to (i) the fraction of a Share otherwise issuable multiplied by (ii) the value attributed to "A" in the formula set out above.

The undersigned directs the Company to issue the certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By executing this Net Exercise Notice, the undersigned hereby confirms that the undersigned has read the Plan and agrees to be bound by the provisions of the Plan.

DATED \_\_\_\_\_.

\_\_\_\_\_  
Signature of Option Holder



**SCHEDULE C**

**HYDREIGHT TECHNOLOGIES INC.  
FIXED EQUITY INCENTIVE PLAN  
(THE "PLAN")**

**ELECTION NOTICE**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Pursuant to the Plan, I hereby elect to participate in the grant of DSUs pursuant to Article 7 of the Plan and to receive \_\_\_\_% of my Cash Fees in the form of DSUs.

I confirm that:

- (a) I have received and reviewed a copy of the terms of the Plan and agreed to be bound by them.
- (b) I recognize that when DSUs credited pursuant to this election are redeemed in accordance with the terms of the Plan, income tax and other withholdings as required will arise at that time. Upon redemption of the DSUs, the Company will make all appropriate withholdings as required by law at that time.
- (c) The value of DSUs is based on the value of the Shares of the Company and therefore is not guaranteed.

The foregoing is only a brief outline of certain key provisions of the Plan. For more complete information, reference should be made to the Plan's text.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Name of Participant)

\_\_\_\_\_  
(Signature of Participant)

**SCHEDULE D**

**HYDREIGHT TECHNOLOGIES INC.  
FIXED EQUITY INCENTIVE PLAN  
(THE "PLAN")**

**ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUs**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule C to the Plan, I hereby elect that no portion of the Cash Fees accrued after the date hereof shall be paid in DSUs in accordance with Article 7 of the Plan.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Name of Participant)

\_\_\_\_\_  
(Signature of Participant)

**Note:** An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.