

## REVOLVE RENEWABLE POWER CORP.

### INFORMATION CIRCULAR

(as at November 29, 2023 except as otherwise indicated)

### SOLICITATION OF PROXIES

This information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management of Revolve Renewable Power Corp. (the “**Company**”). The form of proxy which accompanies this Circular (the “**Proxy**”) is for use at the annual and special meeting of the shareholders of the Company to be held on Friday, December 29, 2023 (the “**Meeting**”), at the time and place set out in the accompanying notice of Meeting (the “**Notice of Meeting**”). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

### APPOINTMENT AND REVOCATION OF PROXY

The persons named in the Proxy are directors and/or officers of the Company. **A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person’s name in the blank space provided.** The completed Proxy should be delivered to Computershare Investor Services Inc. (“**Computershare**”) by 11:00 a.m. (local time in Vancouver, British Columbia) on December 27, 2023, or 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

The Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation and delivering it to Computershare, or by transmitting a revocation by telephonic or electronic means, to Computershare, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the Chairman of the Meeting on the day of the Meeting or adjournment of it; or
- (c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

### Provisions Relating to Voting of Proxies

**The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the auditor as set out in this Circular. The Proxy gives the person named in it the discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the management of the Company (the “Management”) knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.**

## Advice to Beneficial Holders of Common Shares

**The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name.** Shareholders who hold their common shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their common shares in their own name (referred to herein as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those common shares will, in all likelihood, not be registered in the shareholder’s name. Such common shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms) and in the United States, the vast majority of such common shares are registered under the name of Cede & Co. (the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms). Common shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

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

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**NOBOs**”). Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer

agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf.

In accordance with the requirements of NI 54-101, the Company has elected to send the Notice of Meeting, Circular and VIF directly to NOBOS. By choosing to send these materials to you directly, the Company (and not the brokers (or their agents or nominees) holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the VIF.

The Company's OBOs can expect to be contacted by Broadridge or their brokers or their broker's agents as set out above. The Company does not intend to pay for intermediaries to deliver the Notice of Meeting, Circular and VIF to OBOs and accordingly, if the OBO's intermediary does not assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 10:00 a.m. (Vancouver time) on the day which is at least three business days prior to the Meeting. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their common shares as proxyholder for the registered shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker's agent or nominee) in accordance with the instructions provided by such broker.**

All references to shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered shareholders of the Company as set forth on the list of registered shareholders of the Company as maintained by the registrar and transfer agent of the Company, Computershare, unless specifically stated otherwise.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

As at November 29, 2023 the "**Record Date**"), the Company's authorized capital consists of an unlimited number of common shares of which 60,172,627 common shares are issued and outstanding and an unlimited number of preferred shares of which none are issued and outstanding. All common shares in the capital of the Company carry the right to one vote.

Holders of common shares in the capital of the Company (the "**Shareholders**") registered as at the Record Date are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, no persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding common shares of the Company, except the following:

Shareholder	Number of Shares	Percentage of Outstanding Shares
Roger Norwich	7,659,280	12.72%
Joseph O'Farrell	8,327,657 <sup>(1)</sup>	13.83%

1. The number of Common Shares reflected in the above table represents 210,000 Common Shares held directly and 8,117,657 held beneficially by J & M O'Farrell Limited, a company controlled by Mr. O'Farrell.

## **MATTERS TO BE ACTED UPON AT THE MEETING**

### **1. PRESENTATION OF FINANCIAL STATEMENTS FOR 2022 AND 2023**

A copy of the audited consolidated financial statements of the Company for the years ended June 30, 2022 and 2023, together with the auditor's report thereon, will be presented to the Shareholders at the Meeting, and can be found on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). A copy can also be obtained on request by contacting the Company at 700 W Georgia St Suite 2200, Vancouver, BC V7Y 1K8.

### **2. FIXING THE NUMBER OF DIRECTORS**

The term of office of each of the current directors will end at the conclusion of the Meeting. At the Meeting, the Shareholders will be asked to consider and, if thought fit, approve an ordinary resolution fixing the number of directors to be elected at the Meeting at eight (8), to hold office until the next annual meeting of Shareholders or until his or her successor is elected or appointed, unless his or her office is earlier vacated according to the provisions of the articles of the Company or the Business Corporations Act (*British Columbia*) (the "BCBCA").

**Absent contrary instructions, shares represented by proxies in favour of the management nominees will be voted in favour of fixing of the size of the Board at eight (8).**

### **2. ELECTION OF DIRECTORS**

At the Meeting, eight (8) directors will be proposed to be elected to hold office until the next annual meeting of Shareholders or until his or her successor is elected or appointed, unless his or her office is earlier vacated according to the provisions of the articles of the Company or the BCBCA

The Board is currently composed of Omar Bojorquez, Stephen Dalton, Roger Norwich, Joseph O'Farrell, Susan Shaw, Jonathan Clare, John Philip (JP) Maguire and Craig Lindsay.

The following table sets out the names of management's nominees for election as directors, each nominee's province and country of residence, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five (5) preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date of this Circular.

Name, province or state and country of residence and position held in the Company	Principal occupation during the past five years	Served as director of the Company since	Number of common shares of the company beneficially owned, directly or indirectly, or controlled or directed at present <sup>(1)</sup>
<b>Omar Bojorquez</b> <sup>(6)</sup> Mexico City, Mexico <i>President and Director</i>	See “ <i>Director Biographical Information</i> ” below.	March 8, 2022	3,038,392
<b>Stephen (Steve) Dalton</b> Dublin, Ireland <i>Chief Executive Officer and Director</i>	See “ <i>Director Biographical Information</i> ” below.	March 8, 2022	3,654,267 <sup>(1)</sup>
<b>Roger Norwich</b> <sup>(4)(5)</sup> Sark, Channel Islands, UK <i>Chairman and Director</i>	See “ <i>Director Biographical Information</i> ” below.	March 8, 2022	7,659,280
<b>Joseph O’Farrell</b> <sup>(5)</sup> Dublin, Ireland <i>Director</i>	See “ <i>Director Biographical Information</i> ” below.	March 8, 2022	8,327,657 <sup>(2)</sup>
<b>Susan Shaw</b> London, Ontario <i>Director</i>	See “ <i>Director Biographical Information</i> ” below.	November 8, 2023	Nil
<b>Jonathan Clare</b> <sup>(6)</sup> Surrey, UK <i>Director</i>	See “ <i>Director Biographical Information</i> ” below.	March 8, 2022	1,162,797
<b>John Philip (JP) Maguire</b> <sup>(4)(5)(6)</sup> Dublin, Ireland <i>Director</i>	See “ <i>Director Biographical Information</i> ” below.	March 8, 2022	101,278
<b>Craig Lindsay</b> <sup>(3)(4)</sup> British Columbia, Canada <i>Director</i>	See “ <i>Director Biographical Information</i> ” below.	June 6, 2011	1,015,750

1. The number of Common Shares reflected in the above table represents 3,654,267 Common Shares held beneficially by Vervos Capital Limited, a company controlled by Mr. Dalton.
2. The number of Common Shares reflected in the above table represents 210,000 Common Shares held directly and 8,117,657 held beneficially by J & M O’Farrell Limited, a company controlled by Mr. O’Farrell. The number of Common Shares reflected in the above table represents 447,000 Common Shares held directly and 568,750 held beneficially by Arbutus Grove Capital Corp., a company controlled by Mr. Lindsay.
3. Member of the Audit Committee
4. Member of the Human Resources and Compensation Committee
5. Member of the Corporate Governance and Nominating Committee

## Director Biographical Information

Omar Bojorquez – Mr. Bojorquez is a co-founder and president of the Company and has over 12 years' experience in the renewable energy industry. During his time with the Company, Omar has led the development of utility scale power projects (300MW wind & solar) from greenfield to RTB stage. Previously, he was the deputy Commercial Counselor at Bancomext office in the UK. He is a graduate of Universidad Panamericana Law School in Mexico City. Amongst his many certifications, Omar holds a diploma in energy (WEC), corporate governance (IMMPC) and senior business management (IPADE Business School).

Stephen (Steve) Dalton – Mr. Dalton is the chief executive officer and a co-founder of the Company and has been involved in various aspects of the renewable energy sector since 2004. Along with Omar, he has been a key part of the executive management team that has driven the development of the business with a particular focus on the commercial and financing activities undertaken by the Company. Steve has also led the Company's efforts to expand into the US market building the portfolio and pipeline to over 2GW today. He has a background as a project financier working for the Irish subsidiary of Royal Bank of Scotland and during this role led the financing of over 500MW or 35+ renewable energy projects. He has also successfully developed other wind generation and battery storage projects and has provided corporate finance advice to various other independent developers of renewable energy projects. He has a Bachelors of Business Studies and Accountancy from LSB College (now Dublin Business School) and is a member of the Institute of Directors in Ireland.

Roger Norwich – Dr. Norwich is a co-founder of the Company and has been company Chairman and a major shareholder since 2012. He has wide-ranging board experience with publicly-listed companies including as an independent Director of Rio Alto Mining (TSX & NYSE) which was taken over by Mexican Silver Mines which was founded by Dr Norwich and listed on TSX-V. Rio Alto subsequently grew to be a mid-tier gold producer in Peru and was sold to Tahoe Resources in 2015 for US\$1.12Bn. More recently Dr. Norwich was a Director of Otis Gold (TSX-V) which was taken over by Excellon Resources (TSX & NYSE AMERICAN) where he remains an independent Director. He is also on the board of Asante Gold (TSX-V).

Dr Norwich is dual qualified having graduated from Manchester University England with degrees in Geology with Archaeology and in Medicine and he holds MB and ChB degrees. Dr Norwich undertook postgraduate studies in Geology at Manchester University having worked with Texaco Inc in the North Sea, Permian Basin and Gulf of Mexico. Dr Norwich has been a Director of several high-tec companies in Finland and is currently on the Board of Optitune OY, a coatings company based in Oulu and Lumichip a Hong Kong based LED research company.

Joseph O'Farrell – Mr. O'Farrell has over 30 years corporate experience in the energy and mining industry. He is a co-founder of the Company and is also a major shareholder. He has managed several energy companies and is a former director of OilQuest Resources plc and Nighthawk Energy plc, having been a director of these two companies at the time of their respective flotations on the Alternative Investment Market (AIM) in London. He has assisted several companies working in conjunction with corporate advisers in pre-IPO fundraising and project acquisition and has a track record in equity fund raising for both public and private companies. He is currently a director of Union Jack Oil plc (AIM:UJO).

Susan Shaw – Susan has over 40 years of experience in energy, including nuclear power, waste-to-energy and district energy, but has focused the last 20 years on renewable power in the Canadian market. Across these energy specialties, her roles included business development, construction and project management, engineering and operations, and executive positions with

profit /loss responsibility. Susan is a graduate of Georgia Tech and was the first woman licensed in the US as a Waste-to-energy plant operator.

Jonathan Clare – Mr. Clare is a former career diplomat with the UK Foreign & Commonwealth Office having served over 15 years overseas in Latin America and North America in senior political and commercial roles. Experienced business development executive with exposure to multiple industrial sectors predominantly in the Americas over the last 20 years. Former Head of Mission in Monterrey leading the energy, mining and advanced engineering commercial teams with UK Trade and Investment (2007-2012). Jonathan has supported leading UK and US consultancies covering security, policy strategy and business intelligence in the Americas since 2012. Former board member of British Chamber of Commerce and Energy and Security Committees in Mexico (2012-2015). Since 2019 Mr. Clare has been actively supporting initiatives dedicated to renewables, sustainable reforestation, risk mitigation, and emerging and advanced technologies. Science and Business Management graduate from Royal Holloway University of London (1992) with modules in Japanese management principles and special projects in energy and renewables. Post graduate studies within Foreign & Commonwealth Office at Kings College and London School of Economics in international relations and national security.

John Phillip (JP) Maguire – Mr. Maguire is a Director at Key Capital Investment Management and has over 23 years of experience in capital markets. Throughout his career, he has been involved in derivative markets, equity trading, treasury, and FX sales for various financial institutions globally.

Mr. Maguire has been involved in raising funds from equity and debt markets for various sectors and is more recently focused on businesses in the renewable energy and decarbonization sector. He is also a non-executive director of a number of other renewable-focused companies.

Mr. Maguire holds a bachelor's degree in Business Administration (B.B.A) and holds Level 4 cert IMC (Investment Management) from the CFA Society. He is a Registered Stockbroker and a QFA with the IOB and is also a member of the Institute of Directors.

Craig Lindsay – Mr. Lindsay is the Managing Director of Arbutus Grove Capital Corp., which provides corporate finance, investment banking, public company management and business development services in the mining and renewable energy sectors. Mr. Lindsay was most recently Founder, President and CEO of Otis Gold Corp. until its sale to Excellon Resources Inc (TSX:EFR, NYSE:EXN) in April 2020. Previously, he was a Founder, CEO and Director of Magnum Uranium Corp. until its sale to Energy Fuels Inc. (TSX: EFR) in July 2009, and prior thereto was a Vice President in the Corporate Finance and Investment Banking Group at PricewaterhouseCoopers LLP. Mr. Lindsay was a founding Director of Malaspina Capital Ltd. and led its reverse takeover with Miranda Mining Development Corp. (a Mexico-based gold producer that was subsequently acquired by Wheaton River Minerals in 2003). He was a Founder and CFO of OneAsia.com (Holdings) Ltd. and helped develop the business from inception through to sale of the business to Tom Group Limited (FEHK:2383) in 2001. Mr. Lindsay is currently a Director of Excellon Resources Inc. (TSX:EXN, NYSE:EXN), Electric Royalties Ltd (TSX-V:ELEC), VR Resources Ltd. (TSX-V:VRR) and Alianza Minerals Ltd. (TSX-V:ANZ).

### **Corporate Cease Trade Orders or Bankruptcies**

Except as set out below, no director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

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

Mr. Stephen Dalton was a director of React Energy plc (now EQTEC plc) from December, 21 2012 until June 30, 2014. On May 13, 2015 React Energy plc appointed an examiner through the High Court in Dublin in order to put together a scheme of arrangement with its creditors. React successfully exited the examinership process on July, 14, 2015.

### **Individual Bankruptcies**

No director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 individual.

### **Penalties or Sanctions**

No director or proposed director of the Company 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 securityholder in deciding whether to vote for a proposed director.

### **3. APPOINTMENT OF AUDITOR**

The directors propose to re-appoint Davidson & Company LLP, Chartered Professional Accountants, the present auditors, as the auditors of the Company to hold office until the close of the next annual meeting of Shareholders. The present auditors of the Company were first appointed on September 30, 2009.

In the past, the directors have negotiated with the auditors of the Company on an arm's length basis in determining the fees to be paid to the auditors. Such fees have been, and will continue to be, based on the complexity of the matters in question and the time incurred by the auditors. The directors believe that the fees negotiated in the past with the auditors of the Company were reasonable and, in the circumstances, would be comparable to fees charged by other auditors providing similar services. In order to re-appoint Davidson & Company LLP, Chartered Professional Accountants as auditors of the Company to hold office until the close of the next



annual meeting, and authorize the directors to fix the remuneration thereof, a majority of the votes cast at the Meeting must be voted in favour thereof.

Management intends to nominate Davidson & Company LLP, Chartered Professional Accountants, for reappointment as auditor of the Company. Forms of proxies given pursuant to this solicitation will, on any poll, be voted as directed and, **in the absence of instructions to the contrary, the enclosed form of proxy will be voted FOR the re-appointment of Davidson & Company LLP, Chartered Professional Accountants, as the auditor of the Company to hold office for the ensuing year with remuneration to be fixed by the directors.**

#### **4. APPROVAL OF THE EQUITY INCENTIVE PLAN**

At the Meeting, Shareholders will be asked to re-approve the Company's omnibus equity incentive plan (the "**Incentive Plan**") in accordance with Policy 4.4 – *Security Based Compensation* of the Corporate Finance Manual of the TSX Venture Exchange (the "**TSXV**"). The Incentive Plan was originally approved by the Board on November 2<sup>nd</sup>, 2022 and became effective on December 9, 2022 following receipt of Shareholder approval (the "**Effective Date**").

At the Meeting shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution in the form set out below re-approving the Incentive Plan, including the amendments thereto, in substantially the form attached as Schedule "B" to the Company's management information circular dated November 8<sup>th</sup>, 2022.

A summary of the Incentive Plan, including a description of the amendments thereto, is set out below. This summary is qualified in its entirety by the full text of the Incentive Plan.

##### **Purpose**

The purposes of the Incentive Plan are to: (i) provide the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants, (ii) align the interests of Participants (as defined in the Incentive Plan) with that of other shareholders of the Company generally, and (iii) enable and encourage Participants to participate in the long-term growth of the Company through the acquisition of Common Shares as long-term investments.

##### **Administration of the Incentive Plan**

The Incentive Plan is administered by the Board or, from time to time, a committee thereof, and provides that the Board may from time to time, in its discretion, and in accordance with TSXV requirements, grant to eligible Participants, non-transferable awards (the "**Awards**"). Such Awards include options ("**Options**"), restricted share units ("**RSUs**"), share appreciation rights ("**SARs**"), deferred share units ("**DSUs**") and performance share units ("**PSUs**"), all Awards except Options, the "Non-Option Awards".

##### **Maximum Number of Shares Available for Awards**

The number of Common Shares reserved for issuance pursuant to Options granted under the Incentive Plan will not, in the aggregate, exceed 10% of the then outstanding Common Shares at the time of grant. In addition, the maximum number of Common Shares issuable pursuant to SARs, RSUs, DSUs and PSUs issued under the Incentive Plan shall not exceed a fixed number determined in accordance with the policies of the TSXV.

The maximum number of Common Shares for which Awards may be issued to any one Participant (as defined in the Incentive Plan) in any 12-month period shall not exceed 5% of the outstanding Common Shares, unless disinterested shareholder approval as required by the policies of the

TSXV is obtained, or 2% in the case of a grant of Awards to any consultant or persons (in the aggregate) retained to provide Investor Relations Activities (as defined by the TSXV). No awards other than Options may be issued to any consultants or persons retained to provide Investor Relations Activities. Further, unless disinterested shareholder approval as required by the policies of the TSXV is obtained: (i) the maximum number of Common Shares for which Awards may be issued to insiders of the Company (as a group) at any point in time shall not exceed 10% of the outstanding Common Shares; and (ii) the aggregate number of Awards granted to insiders of the Company (as a group), within any 12-month period, shall not exceed 10% of the outstanding Common Shares.

### **Eligibility**

Awards under the Incentive Plan will be granted only to bona fide employees, officers, non-employee directors and consultants of the Company. The extent to which any such individual is entitled to receive a grant of an Award pursuant to the Incentive Plan will be determined in the discretion of the Board.

### **Types of Awards**

The following is a summary of the various types of Awards issuable under the Incentive Plan.

#### ***Options***

Subject to any requirements of the TSXV, the Board may determine the expiry date of each Option. Subject to a limited extension if an Option expires during a Black Out Period (as defined in the Incentive Plan), Options may be exercised for a period of up to ten years after the grant date, provided that: (i) upon a Participant's termination for Cause (as defined in the Incentive Plan), all Options, whether vested or not as at the Termination Date (as defined in the Incentive Plan) will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested Options as at the Termination Date shall automatically and immediately vest, and all vested Options will continue to be subject to the Incentive Plan and be exercisable for a period of 90 days after the Termination Date; (iii) in the case of the Disability (as defined in the Incentive Plan) of a Participant, all Options shall remain and continue to vest (and are exercisable) in accordance with the terms of the Option Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such Options, to determine whether to accelerate the vesting of such Options, cancel such Options with or without payment and determine how long, if at all, such Options may remain outstanding following the Termination Date, provided, however, that in no event shall such Options be exercisable for more than 12 months after the Termination Date; and (v) in all other cases where a Participant ceases to be eligible under the Incentive Plan, including a termination without Cause or a voluntary resignation, unless otherwise determined by the Board, all unvested Options shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested Options will continue to be subject to the Incentive Plan and be exercisable for a period of 90 days after the Termination Date.

The exercise price and vesting terms of the Options will be determined by the Board at the time an Option is granted, provided that in no event will such exercise price be lower than the last closing price of the Common Shares on the TSXV less any discount permitted by the rules or policies of the TSXV at the time the Option is granted.

The Incentive Plan permits Participants (with the exception of Investor Relations Service Providers) to elect to undertake a “cashless exercise” of the Options granted to them, pursuant to which the Common Shares otherwise deliverable upon the exercise of the Option may be sold for an amount equal to the exercise price of the Option. In addition, Participants (with the exception of Investor Relations Service Providers) may elect to undertake a “net exercise” procedure of their then-vested and exercisable Options, whereby the Participant shall be entitled to receive such number of Common Shares (rounded down to the nearest whole number) obtained pursuant to formula set out in the Incentive Plan.

### ***Restricted Share Units***

Subject to any requirements of the TSXV, the Board may determine the expiry date of each RSU. Subject to a limited extension if an RSU expires during a Black Out Period, RSUs may vest and be paid out for a period of up to three years after the grant date, provided that: (i) upon a Participant's termination for Cause, all RSUs, whether vested (if not yet paid out) or not as at the Termination Date will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested RSUs as at the Termination Date shall automatically and immediately vest and be paid out; (iii) in the case of the Disability of a Participant, all RSUs shall remain and continue to vest in accordance with the terms of the Incentive Plan for a period of 12 months after the Termination Date, provided that any RSUs that have not been vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such RSUs, to determine whether to accelerate the vesting of such RSUs, cancel such RSUs with or without payment and determine how long, if at all, such RSUs may remain outstanding following the Termination Date, provided, however, that in no event shall such RSUs be exercisable for more than 12 months after the Termination Date; and (v) in all other cases where a Participant ceases to be eligible under the Incentive Plan, including a termination without Cause or a voluntary resignation, unless otherwise determined by the Board, all unvested RSUs shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested RSUs will be paid out in accordance with the Incentive Plan.

The number of RSUs to be issued to any Participant will be determined by the Board at the time of grant. Each RSU will entitle the holder to receive at the time of vesting for each RSU held, either one Common Share or a cash payment equal to the fair market value of a Common Share or a combination of the two, at the election of the Board. In addition, the Board may determine that holders of RSUs be credited with consideration equivalent to dividends declared by the Board and paid on outstanding Common Shares.

In the event settlement is made by payment in cash, such payment shall be made by the earlier of (i) two and a half months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date. Subject to any vesting restrictions imposed by the TSXV, or as may otherwise be determined by the Board at the time of grant, RSUs shall vest equally over a three-year period such that one third of the RSUs shall vest on the first, second and third anniversary dates of the date that the RSUs were granted.

### ***Share Appreciation Rights***

SARs may be issued together with Options or as standalone awards. Upon the exercise of a SAR, a Participant shall be entitled to receive payment from the Company in an amount representing the difference between the fair market value of the underlying Common Shares on the date of exercise over the grant price of the SAR. At the discretion of the Board, the payment upon the exercise of a SAR may be in cash, Common Shares of equivalent value, in some combination

thereof, or in any other form approved by the Board in its sole discretion. Subject to any requirements of the TSXV, the Board may determine the vesting terms and expiry date of each SAR. Subject to a limited extension if a SAR expires during a Black Out Period, SARs will not be exercisable later than the tenth anniversary date of its grant. Subject to compliance with the rules of the TSXV, the Board may determine, at the time of grant, the treatment of SARs upon a Participant ceasing to be eligible to participate in the Incentive Plan.

### ***Deferred Share Units***

The number and terms of DSUs to be issued to any Participant will be determined by the Board at the time of grant. Each DSU will entitle the holder to receive at the time of settlement for each DSU held, either one Common Share or a cash payment equal to the fair market value of a Common Share or a combination of the two, at the election of the Board. In addition, the Board may determine that holders of DSUs be credited with consideration equivalent to dividends declared by the Board and paid on outstanding Common Shares. Subject to any requirements of the TSXV, the Board may determine the vesting terms and expiry date of each DSU, provided that if a DSU would otherwise settle or expire during a Black Out Period, the Board may extend such date. Subject to compliance with the rules of the TSXV, the Board may determine, at the time of grant, the treatment of DSUs upon a Participant ceasing to be eligible to participate in the Incentive Plan.

### ***Performance Share Units***

The number and terms (including applicable performance criteria) of PSUs to be issued to any Participant will be determined by the Board at the time of grant. Each PSU will entitle the holder to receive at the time of settlement for each PSU held, either one Common Share or a cash payment equal to the fair market value of a Common Share or a combination of the two, at the election of the Board. In addition, the Board may determine that holders of PSUs be credited with consideration equivalent to dividends declared by the Board and paid on outstanding Common Shares. Subject to any requirements of the TSXV, the Board may determine the vesting terms and expiry date of each PSU, provided that in no event will delivery of Common Shares or payment of any cash amounts be made later than the earlier of (i) two and a half months after the close of the year in which the performance conditions or restrictions are satisfied or lapse, and (ii) December 31 of the third year following the year of the grant date. Subject to compliance with the rules of the TSXV, the Board may determine, at the time of grant, the treatment of PSUs upon a Participant ceasing to be eligible to participate in the Incentive Plan.

### ***Termination and Change of Control Provisions***

On a Change of Control (as defined below and in the Incentive Plan) of the Company, the Board shall have discretion as to the treatment of outstanding Awards, including whether to: (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any Awards (provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the TSXV is either obtained or not required); (ii) permit the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards; and/or (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised or redeemed prior to the successful completion of such Change of Control.

The Incentive Plan defines a “Change of Control” as the occurrence of any one or more of the following events:

- a) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company as a result of which the holders of Common Shares prior to the completion of the transaction hold or beneficially own, directly or indirectly, less than 50% of the outstanding voting securities of the successor corporation after completion of the transaction;
- b) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets of the Company and/or any of its subsidiaries to any other Person, other than disposition to a wholly-owned subsidiary in the course of a reorganization of the assets of the Company and its subsidiaries;
- c) a resolution is adopted to wind-up, dissolve or liquidate the Company;
- d) an acquisition by any Person or group of Persons acting jointly or in concert of beneficial ownership of more than 50% of the Common Shares; or
- e) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.

### **Incentive Plan Resolution**

At the Meeting, shareholders of the Company will be asked to consider, and if deemed advisable, to pass, with or without variation, the following ordinary resolution (the “**Incentive Plan Resolution**”):

**“BE IT RESOLVED THAT:**

1. the omnibus equity incentive plan of the Company (the “**Incentive Plan**”) approved by the Board on November 2<sup>nd</sup>, 2022, substantially in the form attached to the management information circular of the Company dated November 8<sup>th</sup>, 2022, is hereby approved;
2. the Company is hereby authorized to issue options under the Incentive Plan to acquire up to 10% of the then issued and outstanding common shares in the capital of the Company at the time of grant (the “**Common Shares**”) and, in addition, a maximum number of Common Shares issuable pursuant to SARs, RSUs, DSUs and PSUs (as such terms are defined in the Incentive Plan) issued under the Incentive Plan which shall not exceed a fixed number determined in accordance with the policies of the TSX Venture Exchange (the “**TSXV**”);
3. the Board is hereby authorized to make any changes to the Incentive Plan as may be required by the TSXV; and
4. any one director or officer of the Company is hereby authorized, for and on behalf, of the Company, to execute or cause to be executed, and to deliver or cause to be delivered, all such documents and filings, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of these resolutions, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing.”

**In order to be passed, the Incentive Plan Resolution requires the approval of a majority of the votes cast thereon by holders of Common Shares present in person or represented by proxy at the Meeting.**

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE IN FAVOUR OF THE INCENTIVE PLAN RESOLUTION. IN ORDER TO BE PASSED, A MAJORITY OF THE VOTES CAST AT THE MEETING IN PERSON OR BY PROXY MUST BE VOTED IN FAVOUR OF THE RESOLUTION.**

**If you complete and return the Management Proxy, the persons designated in the Management Proxy intend to vote at the Meeting, or any adjournment thereof, FOR the Incentive Plan Resolution, unless you specifically direct that your vote be voted against the Incentive Plan Resolution.**

## **OTHER MATTERS**

The Company knows of no other matters to be brought before the Meeting. If any amendment, variation or other business is properly brought before the Meeting, the enclosed form of Management Proxy and voting instruction confers discretion on the persons named on the form of Management Proxy to vote on such matters in accordance with their best judgment.

## **EXECUTIVE COMPENSATION**

### ***Named Executive Officers***

During the financial year ended June 30, 2023 and June 30, 2022, the Company had five Named Executive Officers (“**Named Executive Officers**” or “**NEOs**”) being Stephen Dalton, the Chief Executive Officer (“**CEO**”), Omar Bojorquez, the President, Craig Lindsay, the former CEO of the Company and a current Director, Nicholas Furber, the Chief Financial Officer (“**CFO**”) and Janet Bates, the former CFO of the Company and the current Corporate Secretary.

“**Named Executive Officer**” means: (a) each CEO, (b) each CFO, (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be a NEO under (c) above 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.

### ***Oversight and Description of Director and Named Executive Officer Compensation***

#### **Human Resources and Compensation Committee**

The Human Resources and Compensation Committee is comprised of Joseph O’Farrell, Roger Norwich and JP Maguire. JP Maguire and Roger Norwich are independent of the Company within the meaning of NI 52-110. Joseph O’Farrell is not be independent of the Company as he is an immediate family member of Steve Dalton, the CEO of the Company. The Human Resources and Compensation Committee assists the Board in settling compensation of directors and senior executives and developing and submitting to the Board recommendations with regard to other employee compensation, including benefits. The Human Resources and Compensation Committee reviews on an annual basis the adequacy and form of compensation and senior executives and directors to ensure that such compensation reflects the responsibilities, time commitment, and risk involved in being an effective executive officer or director as applicable.

#### **Compensation Committee Mandate**

The Compensation Committee is appointed by the Board of Directors to assist the Board in carrying out its responsibilities by:

- Reviewing compensation and human resources issues in support of the achievement of the Company's business strategy and making recommendations to the Board as appropriate.
- Reviewing and approving corporate goals and objectives relevant to CEO's compensation.
- Evaluating the CEO's performance against those goals and objectives.
- Making recommendations to the Board with respect to the CEO's compensation.
- Reviewing issues and overseeing the investment management of the Company's savings and investment plans, if applicable.

### Compensation Philosophy

Compensation of executive officers of the Company is recommended to the Board of Directors by the Human Resources and Compensation Committee. In its review process, the Human Resources and Compensation Committee relies on input from management on the assessment of executives and Company performance.

The Human Resources and Compensation Committee establishes management compensation policies and oversees their general implementation. All members of the Human Resources and Compensation Committee have direct experience which is relevant to their responsibilities as Human Resources and Compensation Committee members. The members combined experience in the Company's sector provides them with the understanding of the Company's success factors and risks, which is very important when determining metrics for measuring success.

Risk management is a primary consideration of the Human Resources and Compensation Committee when implementing its compensation program. It does not believe that its compensation program results in unnecessary or inappropriate risk-taking including risks that are likely to have a material adverse effect on the Company. Payments of bonuses, if any, are not made until performance goals have been met.

Executive compensation is generally based on "pay for performance" philosophy and to be competitive with other firms of comparable size in similar fields. The CEO makes recommendations to the Human Resources and Compensation Committee as to the compensation of managers, other than themselves, for approval by the Board. The Human Resources and Compensation Committee makes recommendations to the Board of Directors as to the compensation of the CEO, for approval, in accordance with the same criteria upon which the compensation of other managers is based.

Executive compensation is comprised of a base salary and variable components in the form of an annual bonus opportunity and stock options. The annual bonus provides an opportunity for management and executive employees to earn an annual cash incentive based on various pre-set criteria and the degree of achievement of objectives sets by the Human Resources and Compensation Committee. These performance goals will therefore take into account: (1) the compliance with budgeted results, (2) the Company's share performance during the last completed financial year, and (3) the business development and personal achievement fulfilled by each executive employee, as the case may be. Generally, new stock option grants do not take into account previous grants of options when considering new grants.

The President and CEO's salary is based on comparable market consideration and the Human Resources and Compensation Committee's assessment of his performance, with regard to the Company's financial performance and progress in achieving strategic performance.

The Company's executive compensation program is intended to attract, motivate and retain high performing senior executives, encourage and reward superior performance and align the executives' interests with those of the Company by providing a compensation which is competitive with the compensation received by executives employed by comparable companies. Ensuring that the achievement of annual objectives is rewarded through the payment of bonuses and providing executives with long-term incentive through the grant of stock options.

The compensation paid to the Named Executive Officers will be based on comparisons to compensation paid to officers of companies in a similar business, size and stage of development and will reflect the need to provide incentive and compensation for the time and effort expended by the Named Executive Officers, while taking into account the financial and other resources of the Company, as well as increasing short and long-term shareholder value.

The Company is a technology start-up company and therefore, certain compensation factors were considered and not included within the compensation structure and philosophy. Some of the factors not considered were target share ownership guidelines, pension plans, specific target weightings and percentage of compensation at risk.

### Compensation Elements

Compensation of Named Executive Officers is revised each year and has been structured to encourage and reward the executive officers on the bases of short-term and long-term corporate performance. In the context of the analysis of the compensation for the financial year ended June 30, 2022, the following components were examined:

- (i) base salary;
- (ii) annual performance incentive relative to base compensation consisting of cash and stock options;
- (iii) grant of stock options of the Company; and
- (iv) other elements of compensation which may include shares of the Company.

### Base Salary

The compensation of the Company's executive officers is determined by the Board of Directors upon recommendations made by the Human Resources and Compensation Committee. Executive compensation is generally based on pay for performance and to be competitive with other firms of comparable size in similar fields.

### Option-based Awards

The Company currently has in place the Stock Option Plan under which awards have been made to executive officers. The grant of stock options to purchase the Company's common shares is a method of compensation which is used to attract and retain personnel and to provide an incentive to participate in the long-term focus and development of the Company, with specific emphasis on increasing shareholder value. The Human Resources and Compensation Committee typically puts forth a proposal for stock option grants for directors, officers and employees, which is reviewed and discussed by the Board and ultimately approved by the Board. The following factors are taken into consideration when new stock option grants are proposed:



- the optionee’s length of service and responsibility level;
- past performance and expected future performance;
- previous option grants; and
- the number of our issued and outstanding shares.

At the Meeting, Shareholders will be asked to re-approve the Incentive Plan, which was last approved by Shareholders on December 9, 2022. The Incentive replaced the Company’s stock option plan (the “**Stock Option Plan**”). All of the 4,800,000 stock options outstanding under the Stock Option Plan (the “**Outstanding Options**”) remain outstanding and in full force and effect in accordance with their terms. However, no additional grants shall be made pursuant to the Option Plan, and the Stock Option Plan will terminate on the date upon which no Outstanding Options remain outstanding. See “*Approval of the Equity Incentive Plan*” for a summary of the material terms of the Incentive Plan.

***Director and Named Executive Officer Compensation, Excluding Options and Compensation Securities***

The following table is a summary of compensation paid to the Directors and Named Executive Officers of the Company for the two most recently completed financial periods ended June 30, 2023 and June 30, 2022:

**Summary Compensation Table**

Name	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites	Value of all other compensation (\$)	Total compensation (\$)
Craig Lindsay, Former CEO, current director	2022 2023	Nil C\$48,000	Nil Nil	Nil Nil	Nil Nil	US\$12,500 US\$12,500	US\$12,500 C\$48,000 US\$12,500
Janet Bates Former CFO, current Corporate Secretary	2022 2023	US\$30,070 US\$72,500	Nil Nil	Nil Nil	Nil Nil	Nil Nil	US\$30,070 US\$72,500
Stephen Dalton, CEO and Director <sup>(1)</sup>	2022 2023	US\$170,532 US\$178,086	Nil Nil	Nil Nil	Nil Nil	Nil Nil	US\$170,532 US\$178,086
Omar Bojorquez, President and Director <sup>(1)</sup>	2022 2023	US\$117,621 US\$158,646	Nil Nil	Nil Nil	Nil Nil	Nil Nil	US\$117,621 US\$158,646

Nick Furber, CFO <sup>(1)</sup>	2022 2023	US\$10,217 US\$36,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	US\$10,217 US\$36,000
Roger Norwich, Director and Chairman <sup>(1)</sup>	2022 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil US\$12,500	Nil US\$12,500
Joseph O'Farrell, Director <sup>(1)</sup>	2022 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil US\$12,500	Nil US\$12,500
John Philip (JP), Director, Director <sup>(1)</sup>	2022 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	US\$12,500 US\$12,500	US\$12,500 US\$12,500
Finian (Finn) Lyden, Director <sup>(1)(3)</sup>	2022 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil US\$12,500	Nil US\$12,500
Jonathan Clare, Director <sup>(1)</sup>	2022 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil US\$12,500	Nil US\$12,500
Tracy Cairns, former Director <sup>(2)</sup>	2022 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Blair McIntyre, former Director <sup>(2)</sup>	2022 2023	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Notes:

- (1) Appointed on March 7, 2022.  
(2) Resigned on March 7, 2022.  
(3) Resigned on November 8, 2023.

**Stock Options and Other Compensation Securities**

The following table is a summary of all compensation securities granted or issued to the Directors and Named Executive Officers of the Company during the most recently completed financial year ended June 30, 2023:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Stephen Dalton <sup>(2)</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Omar Bojorquez, President and Director <sup>(3)</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Joseph O'Farrell <sup>(4)</sup> , Director	Stock Option	150,000 (3.13%)	November 8, 2023	\$0.50	\$0.40	\$0.35	November 11, 2025
Roger Norwich <sup>(5)</sup> , Director and Chairman	Stock Option	150,000 (3.13%)	November 8, 2023	\$0.50	\$0.40	\$0.35	November 11, 2025
John Philip (JP) Maguire <sup>(6)</sup> , Director	Stock Option	150,000 (3.13%)	November 8, 2023	\$0.50	\$0.40	\$0.35	November 11, 2025
Finian (Finn) Lyden <sup>(7)(8)</sup> , Director	Stock Option	150,000 (3.13%)	November 8, 2023	\$0.50	\$0.40	\$0.35	November 11, 2025
Jonathan Clare <sup>(9)</sup> , Director	Stock Option	150,000 (3.13%)	November 8, 2023	\$0.50	\$0.40	\$0.35	November 11, 2025
Craig Lindsay, Director <sup>(10)</sup>	Stock Option	200,000 (4.17%)	November 8, 2023	\$0.50	\$0.40	\$0.35	November 11, 2025
Nicholas Furber, Chief Financial Officer <sup>(11)</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Each stock option is exercisable for one Common Share.

(2) As of June 30, 2023 Mr. Dalton held 1,900,000 Stock Options exercisable for one Common Share through Vervos Capital Limited, a corporation controlled by Stephen Dalton.

(3) As of June 30, 2023 Mr. Bojorquez held 900,000 Stock Options exercisable for one Common Share.

(4) As of June 30, 2023 Mr. O'Farrell held 200,000 Stock Options exercisable for one Common Share.

(5) As of June 30, 2023 Mr. Norwich held 50,000 Stock Options exercisable for one Common Share.

(6) As of June 30, 2023 Mr. Maguire held 200,000 Stock Options exercisable for one Common Share.

(7) Resigned on November 8, 2023.

(8) As of June 30, 2023 Mr. Lyden held 200,000 Stock Options exercisable for one Common Share.

(9) As of June 30, 2023 Mr. Clare held 150,000 Stock Options exercisable for one Common Share.

(10) As of June 30, 2023 Mr. Lindsay held 200,000 Stock Options exercisable for one Common Share.

(11) As of June 30, 2023 Mr. Furber held 50,000 Stock Options exercisable for one Common Share.

No compensation securities have been exercised by the Directors and Named Executive Officers of the Company during the most recently completed financial year ended June 30, 2023.

As at the date of this Circular, there are 4,800,000 stock options outstanding.

### **External Management Companies**

Stephen Dalton, Omar Bojorquez, Craig Lindsay, Nicholas Furber and Janet Bates are not employees of the Company.

Vervos Capital Limited has entered into an understanding with the Company, pursuant to which Stephen Dalton agreed to perform the duties of Chief Executive Officer of the Company through Vervos Capital Limited, a company controlled by Stephen Dalton. Mr. Dalton receives compensation of EUR13,636.37 per month for services performed as Chief Executive Officer.

1951494 Alberta Inc. has entered into an agreement with the Company (the “**Corporate Secretary and Financial Controller Agreement**”), pursuant to which Janet Bates has agreed to perform the duties of Corporate Secretary and Financial Controller of the Company through 1951494 Alberta Inc., a company controlled by Janet Bates. Ms. Bates receives compensation of US\$9,166.66 per month for services performed as Corporate Secretary and Financial Controller. This replaces a previous agreement (the “**Corporate Secretary Agreement**”) in which Janet Bates had agreed to perform the duties of Corporate Secretary of the Company. Ms. Bates had received compensation of US\$5,000 per month for services performed as Corporate Secretary.

NJF Consulting has entered into an understanding with the Company, pursuant to which Nicholas Furber has agreed to perform the duties of Chief Financial Officer of the Company through NJF Consulting, a company controlled by Nicholas Furber. Mr. Furber receives compensation of US\$3,000 per month for services performed as Chief Financial Officer.

### ***Employment, consulting and management agreements***

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

The Company entered into the Corporate Secretary Agreement with 1951494 Alberta Inc. on March 1, 2022, pursuant to which Janet Bates agreed to perform the duties certain services of the Company through 1951494 Alberta Inc., a company controlled by Janet Bates. In consideration for the services provided under the Corporate Secretary Agreement, the Company agreed to pay US\$5,000 per month.

Services provided in relation to the Corporate Secretary and Financial Controller Agreement contract include the consolidation, administration and drafting of quarterly and annual financial statements, facilitating annual audits, cash management, accounts payable, accounts receivable, all financial record keeping in relation to all companies outside of the Mexico entities, and administration and other duties as needed.

The Corporate Secretary and Financial Controller Agreement shall continue until such time as both parties agree to its termination in writing. If 1951494 Alberta Inc. materially breaches the Corporate Secretary and Financial Controller Agreement, the Company shall only be required to provide final payment for services rendered. If no material breach of the Corporate Secretary and Financial Controller Agreement occurs, the agreement may be terminated with 60 days notification in writing.

## **EQUITY COMPENSATION PLAN INFORMATION**

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by the securityholders	4,800,000	\$0.50	6,707,818
Equity compensation plans not approved by the securityholders	N/A	N/A	N/A
<b>Total</b>	4,800,000	\$0.50	6,707,818

#### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

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

Except as set out herein, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee for election to the Board and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than:

- (a) the election of directors or the appointment of auditors; and
- (b) the interests of individuals who are eligible participants and/or optionees under the Stock Option Plan (as defined herein) in the approval of the Incentive Plan (as more particularly set out under "*Particulars of Matters to be Considered at the Meeting – Approval of the Equity Incentive Plan*").

#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

None of the persons who were directors or executive officers of the Company or a subsidiary at any time during the Company's last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

## AUDIT COMMITTEE

### ***Audit Committee Charter***

The text of the Audit Committee's charter is attached as Schedule A to this Circular.

### ***Composition of Audit Committee and Independence***

The Company's current Audit Committee consists of Joe, Craig Lindsay and JP Maguire.

National Instrument 52-110 - *Audit Committees* ("NI 52-110") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment. Of the Company's current Audit Committee members, Roger Norwich and JP Maguire are "independent" within the meaning of NI 52-110. Craig Lindsay is not "independent" as Mr. Lindsay is the former CEO of the Company.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All of the members of the Audit Committee are "financially literate" as that term is defined. The following sets out the Audit Committee members' education and experience that is relevant to the performance of his responsibilities as an audit committee member.

### ***Relevant Education and Experience***

#### *Craig Lindsay*

Mr. Lindsay has in excess of 20 years' experience in corporate finance, investment banking and business development in both North America and Asia. He was the President, CEO and Director of Otis Gold Corp. from April 2007 until the sale of the company to Excellon Resources Inc in April 2020. Additionally, he is a current director and member of the audit committee of Alianza Minerals Ltd. (TSX-V: ANZ), Rebel Capital Inc (TSX-V: RBL.P) and VR Resources Ltd (TSX-V: VRR) and was formerly the President, CEO, director and member of the audit committee of Magnum Uranium Corp. prior to its merger with Energy Fuels Inc. (EFR: TSX). Prior thereto, he was a Vice President in the Corporate Finance and Investment Banking department at PricewaterhouseCoopers LLC. He has a Bachelor of Commerce degree from the University of British Columbia (1988), a Masters of Business Administration degree from Dalhousie University (1993) and is a Chartered Financial Analyst.

#### *Roger Norwich*

Dr. Norwich is a co-founder of the Company and has been company Chairman and a major shareholder since 2012. He has wide-ranging board experience with publicly-listed companies including as an independent Director of Rio Alto Mining (TSX & NYSE) which was taken over by Mexican Silver Mines which was founded by Dr Norwich and listed on TSX-V. Rio Alto subsequently grew to be a mid-tier gold producer in Peru and was sold to Tahoe Resources in 2015 for US\$1.12Bn. More recently Dr. Norwich was a Director of Otis Gold (TSX-V) which was taken over by Excellon Resources (TSX & NYSE AMERICAN) where he remains an independent Director. He is also on the board of Asante Gold (TSX-V).

### *John Philip (JP) Maguire*

Mr. Maguire has over 20 years' experience in capital markets ranging from future options markets in Sydney for Man Financial, equity trading, treasury and FX sales for various other financial institutions as well as head of equity trading for Dolmen Stockbrokers from 2005- 2010. He has been involved in raising over €500m from the equity and debt markets for a various sectors and more recently focused on businesses in the renewable energy and decarbonisation sector. He is currently a senior executive with Key Capital Investment Management in Dublin and is also non-executive director of Farra Marine Limited, an offshore wind service business focused on the UK and Europe. Mr. Maguire is a graduate of Dublin Business School and holds a Bachelor of Business Administration (B.B.A). He is a Registered Stockbroker and a QFA with the IOB (Institute of Bankers) and holds Level 4 cert IMC (Investment Management) from the CFA Society UK. He is also a member of the Institute of Directors in Ireland and the CISI (Chartered Institute for Securities and Investment).

### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

### **Reliance on Certain Exemptions**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110; or
- (b) the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*) of NI 52-110; or
- (c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*) of NI 52-110; or
- (d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) of NI 52-110; or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

### **Pre-Approval Policies and Procedures**

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

### **Audit Fees**

The following table sets forth the fees paid by the Company and its subsidiaries to Davidson & Company LLP, Chartered Professional Accountants, for services rendered in the last two fiscal years:

	<b>2022</b>	<b>2023</b>
	(\$)	(\$)
Audit fees <sup>(1)</sup>	C\$105,000 <sup>(5)</sup>	C\$130,000
Audit related fees <sup>(2)</sup>	C\$5,168	C\$4,218
Tax fees <sup>(3)</sup>	C\$24,000	C\$12,000 <sup>(5)</sup>
All other fees <sup>(4)</sup>	C\$6,579	-
<b>Total</b>	<b>C\$140,747</b>	<b>C\$146,218</b>

Notes:

- (1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) "Audited related fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All other fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.
- (5) Final bill yet to be finalized with auditor.

### **Exemption in Section 6.1**

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

### **CORPORATE GOVERNANCE DISCLOSURE**

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the "**Guidelines**") adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company's approach to corporate governance is set out below.

#### **Board of Directors**

Management is nominating eight individuals to the Board, all of whom are current directors of the Company.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as "independent" directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. The "material relationship" is defined as a relationship which could, in the view



of the Company's Board, reasonably interfere with the exercise of a director's independent judgement. Except for Craig Lindsay, former CEO of the Company, Omar Bojorquez, the President of the Company, Stephen Dalton, the CEO of the Company and Joseph O'Farrell, who is an immediate family member of Mr. Dalton, all of the current members of the Board are considered "independent" within the meaning of NI 52-110.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO and the President. The Board will give direction and guidance through the President to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

### **Directorships**

The following directors of the Company are also directors of other reporting issuers as stated:

<b><u>Name of Director</u></b>	<b><u>Reporting Issuers (or the Equivalent)</u></b>
Craig Lindsay	Excellon Resources Inc. (TSX) Silver North Resources Ltd. (TSXV) Electric Royalties Ltd. (TSXV)
Roger Norwich	Asante Gold Company (TSXV)
Joseph O'Farrell	Union Jack Oil plc (AIM)

### **Orientation and Continuing Education**

The Board's practice is to recruit for the Board only persons with extensive experience in business and public company matters and with an understanding of the renewable energy sector. Prospective new board members are provided a reasonably detailed level of background information, verbal and documentary, on the Company's affairs and plans prior to obtaining their consent to act as a director. The Company does not provide any formal ongoing continuing education.

### **Ethical Business Conduct**

The Board has considered adopting a written code of business conduct and ethics and has decided it is not necessary to adopt such a code at the present time due to the current activity level of the Company. A Disclosure and Confidentiality Policy as well as an Insider Trading and Reporting Policy have been formally adopted.

The Board has established a Whistle Blower Policy, which is Addendum "A" to the terms of reference of the Audit Committee which are attached hereto as Schedule A and establishes the complaint procedure for concerns about any aspect of the Company's activities and operations.

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the

director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as some of the directors of the Company also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, 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 would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

### **Corporate Governance and Nominating Committee**

The Corporate Governance and Nominating Committee is comprised of Jonathan Clare, John Philip (JP) Maguire and Omar Bojorquez. Jonathan Clare and JP Maguire are independent of the Company within the meaning of NI 52-110. Omar Bojorquez is not be independent of the Company as he is the President of the Company.

The Corporate Governance and Nominating Committee is responsible for identifying, interviewing and making recommendations to the Board with respect to new directors. The Board of Directors will consider its size each year when it considers the number of Directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the board of Directors' duties effectively and to maintain a diversity of views and experience.

The selection of the nominees of the Board of Directors is made by the Corporate Governance and Nominating Committee, based on the needs of the Company and the qualities required to sit on the Board of Directors, including ethical character, integrity and maturity of judgement, the level of experience, their ideas regarding the material aspects of the business, the expertise of the candidates in the fields relevant to the Company, the will and ability of the candidates to devote the necessary time to their duties, the Board and its committees, the will of the candidates to serve the Board for numerous consecutive financial periods, and finally, the will of the candidates to refrain from engaging in activities which conflict with the responsibilities and duties of the director of the Company and its shareholders. The Corporate Governance and Nominating Committee may use various sources in order to identify the candidates for the Board, including its own contacts and references from other Directors, Officers, advisors of the Company, and executive placement agencies.

## **Human Resources and Compensation Committee**

The Human Resources and Compensation Committee assists the Board in settling compensation of directors and senior executives and developing and submitting to the Board recommendations with regard to other employee compensation, including benefits. The Human Resources and Compensation Committee reviews on an annual basis the adequacy and form of compensation and senior executives and directors to ensure that such compensation reflects the responsibilities, time commitment, and risk involved in being an effective executive officer or director as applicable. See “Human Resources and Compensation Committee” above for further details.

## **Other Board Committees**

At the present time, the only standing committee is the Audit Committee, Human Resources and Compensation Committee and Corporate Governance and Nominating Committee. The written charter of the Audit Committee, as required by NI 52-110, is contained in Schedule A to this Circular.

## **Assessments**

The Board reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by other Board members, bearing to 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 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 practices allow the Company to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information about the Company is provided in the Company’s comparative annual financial statements for the years ended June 30, 2023 and 2022, a copy of which, together with Management’s Discussion and Analysis thereon, can be found on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com). Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the Company at 700 W Georgia St Suite 2200, Vancouver, BC V7Y 1K8.

**BOARD APPROVAL**

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 29th day of November, 2023.

**ON BEHALF OF THE BOARD**

(signed) "*Stephen Dalton*"

Stephen Dalton  
Chief Executive Officer

**REVOLVE RENEWABLE POWER CORP.**

**SCHEDULE A**

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**Audit Committee Charter**

**(see attached)**

## **Audit Committee Terms of Reference**

### **A. Mandate**

The primary function of the audit committee (the “**Audit Committee**”) is to assist the Board of Directors 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. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Audit Committee’s primary duties and responsibilities are to:

1. 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.
2. Review and appraise the performance of the Company’s external auditors.
3. Provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board of Directors.

### **B. Composition**

The Audit Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be independent directors, pursuant to the policies of the TSX Venture Exchange.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company’s Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements.

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

### **C. Meetings**

The Audit Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with management and the external auditors in separate sessions.

The minutes of the Audit Committee meetings shall accurately record the decisions reached and shall be distributed to the Audit Committee members with copies to the Board of Directors, the Chief Financial Officer or such other officer acting in that capacity, and the external auditor.

## **D. Responsibilities and Duties**

To fulfill its responsibilities and duties, the Audit Committee shall:

### Documents/Reports Review

4. Review and update this Charter annually.
5. Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

### External Auditors

6. Require the external auditors to report directly to the Audit Committee.
7. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Audit Committee as representatives of the shareholders of the Company.
8. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company and confirming their independence from the Company.
9. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
10. Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
11. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval and the compensation of the external auditors.
12. Review with management and the external auditors the terms of the external auditors' engagement letter.
13. At each meeting, consult with the external auditors, 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.
14. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
15. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
16. 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 auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

- (a) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent (5%) of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
- (b) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
- (c) such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval, such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

#### Financial Reporting Process

17. In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
18. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
19. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
20. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
21. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
22. Review any significant disagreement among management and the external auditors regarding financial reporting.
23. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
24. Review the certification process.
25. Establish procedures for:
  - (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and



- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

- 26. Review any related-party transactions.

**E. Authority**

The Audit Committee may:

- 27. engage independent outside counsel and other advisors as it determines necessary to carry out its duties;
- 28. set and pay the compensation for any advisors employed by the Audit Committee; and
- 29. communicate directly with the internal and external auditors.

The Audit Committee shall have unrestricted access to the Company's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.

## **ADDENDUM “A” TO THE AUDIT COMMITTEE CHARTER WHISTLE BLOWER POLICY**

### **Introduction**

The Company is committed to the highest standards of openness, honesty and accountability. In line with that commitment, we expect employees and others that we deal with who have serious concerns about any aspect of the Company’s activities and operations to come forward and voice those concerns.

Employees are often the first to realize that there may be something seriously wrong within the Company. However, they may decide not to express their concerns because they feel that speaking up would be disloyal to their colleagues or to the Company. They may also fear recrimination, harassment or victimization. In these circumstances, they may feel it would be easier to ignore the concern rather than report what may just be a suspicion of wrong-doing.

This policy document makes it clear that employees can report wrong-doings or suspected wrong-doings without fear of victimization, subsequent discrimination or disadvantage. This Whistle Blowing Policy is intended to encourage and enable employees to raise serious concerns within the Company rather than overlooking a problem or seeking a resolution of the problem outside the Company.

This Policy applies to all employees and those contractors working for the Company. It is also intended to provide a method for other stakeholders (suppliers, customers, shareholders etc.) to voice their concerns regarding the Company’s business conduct.

The Policy is also intended as a clear statement that if any wrongdoing by the Company or any of its employees or by any of its contractors or suppliers is identified and reported to the Company, it will be dealt with expeditiously and thoroughly investigated and remedied. The Company will further examine and implement the means of ensuring that such wrongdoing can be prevented in future.

A whistleblowing or reporting mechanism invites all employees and other stakeholders to act responsibly to uphold the reputation of their organization and maintain public confidence. Encouraging a culture of openness within the organization will also help this process. This Policy aims to ensure that serious concerns are properly raised and addressed within the Company.

### **BACKGROUND**

#### ***What is Whistleblowing?***

Employees are usually the first to know when something is going seriously wrong. A culture of turning a “blind eye” to such problems means that the alarm is not sounded and those in charge do not get the chance to take action before real damage is done. Whistleblowing can therefore be described as giving information about potentially illegal and/or underhanded practices i.e. wrong doing.

#### ***What is wrong doing?***

Wrong doing involves any unlawful, illegal or otherwise improper behaviour and can include:

- An unlawful act whether civil or criminal;

- Breach of or failure to implement or comply with any approved policy of the Company, including the internal financial controls approved by the Company;
- Knowingly breaching federal or provincial laws or regulations;
- Unprofessional conduct or conduct that is not consistent with recognized, established standards of practice;
- Questionable accounting or auditing practices;
- Dangerous practice likely to cause physical harm/damage to any person/property;
- Failure to rectify or take reasonable steps to report a matter likely to give rise to a significant and avoidable cost or loss to the Company;
- Abuse of power or authority for any unauthorized or ulterior purpose;
- Unfair discrimination in the course of employment or provision of services.

This list is not definitive, but is intended to give an indication of the kind of conduct which might be considered as “wrong doing”.

#### ***Who is protected?***

This Policy is set in the context of the regulatory provisions of the Canadian Securities Association (CSA) Multilateral Instrument 52-110 - Audit Committees. Any employee who makes a disclosure or raises a concern under this Policy will be protected if the employee:

- Discloses the information in good faith;
- Believes it to be substantially true;
- Does not act maliciously or make knowingly false allegations; and
- Does not seek any personal or financial gain.

#### ***Who should you contact?***

Anyone with a complaint or concern about the Company should contact Craig Lindsay, Chief Executive Officer and Director.

#### ***How the Company will respond***

The Company will respond positively to your concerns. Where appropriate, the matters raised may:

1. be investigated by management, the Board of Directors, internal audit (when implemented), or through the disciplinary process;
2. be referred to the police;
3. be referred to the external auditor or external legal counsel; and
4. form the subject of an independent inquiry.

In order to protect individuals and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required, this will be taken before any investigation is conducted.

Within ten working days of a concern being raised, the responsible officer will write to you:

1. acknowledging that the concern has been received;
2. indicating how he/she proposes to deal with the matter;
3. giving an estimate of how long it will take to provide a response;
4. telling you whether any initial enquiries have been made; and
5. telling you whether further investigations will take place and if not, why not.

The amount of contact between the officers considering the issues and you will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, the Company will seek further information from you.

The Company will take steps to minimize any difficulties which you may experience as a result of raising a concern. For instance, if you are required to give evidence in criminal or disciplinary proceedings, the Company will arrange for you to receive advice about the procedure.

The Company accepts that you need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, we will inform you of the outcomes of any investigation.

### ***Time Frames***

Concerns will be investigated as quickly as possible. It should be borne in mind that it may be necessary to refer a matter to an external agency and this may result in an extension of the investigative process. It should also be borne in mind that the seriousness and complexity of any complaint may have an impact on the time taken to investigate a matter. A designated person will indicate at the outset the anticipated time frame for investigating the complaint.

### ***Prevention of recriminations, victimization or harassment***

The Company will not tolerate an attempt on the part of anyone to apply any sanction or detriment to any person who has reported to the Company a serious and genuine concern that they may have about an apparent wrongdoing.

### ***Confidentiality and Anonymity***

The Company will respect the confidentiality of any whistle blowing complaint received by the Company where the complainant requests that confidentiality. However, it must be appreciated that it will be easier to follow up and to verify complaints if the complainant is prepared to give his or her name.

### ***False and Malicious Allegations***

The Company is proud of its reputation with the highest standards of honesty. It will therefore ensure that substantial and adequate resources are put into investigating any complaint which it receives. However, the Company will regard the making of any deliberately false or malicious

allegations by any employee of the Company as a serious disciplinary offence which may result in disciplinary action, up to and including dismissal for cause.

