



KOVO+ HOLDINGS INC.

MANAGEMENT INFORMATION CIRCULAR

AND

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON JULY 15, 2025

DATED AS OF JUNE 16, 2025

YOUR VOTE AND PARTICIPATION AS A SHAREHOLDER IS IMPORTANT. PLEASE READ THE ACCOMPANYING NOTICE OF MEETING, MANAGEMENT INFORMATION CIRCULAR, AND VOTE YOUR SHARES.

Notice is hereby given that the annual general and special meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of Kovo+ Holdings Inc. (the “**Corporation**”) will be held at the offices of Dentons Canada LLP, 1500, 850 – 2nd St SW, Calgary, Alberta T2P 0R8, on Tuesday, July 15, 2025 at 8:00 a.m. (MDT) and any adjournment(s) or postponement(s) thereof for the following purposes:

1. to receive and consider the financial statements of the Corporation for the year ended December 31, 2024, and the auditors’ report thereon;
2. to fix the number of directors to be elected at the Meeting at four (4) members;
3. to elect four (4) directors of the Corporation for the ensuing year;
4. to reappoint SRCO Professional Corporation as the auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration;
5. to consider and, if deemed advisable, approve, with or without variation, an ordinary resolution ratifying and confirming the Corporation’s new omnibus equity incentive plan, as described in the accompanying management information circular (the “**Information Circular**”); and
6. to transact such further and other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Additional information concerning the matters proposed to be put before the Meeting is set forth in the Information Circular, which accompanies and forms part of this Notice of Meeting. If you are a registered Shareholder (“**Registered Shareholder**”), a form of proxy (“**Instrument of Proxy**”) is enclosed, and if you are a non-registered Shareholder (“**Beneficial Shareholder**”), a voting instruction form (“**VIF**”) is enclosed.

Registered Shareholders

A Registered Shareholder may attend the Meeting in person or may be represented at the Meeting by a proxyholder. Registered Shareholders who are unable to attend the Meeting in person are requested to date and sign the enclosed Instrument of Proxy and mail or deposit it with Computershare Trust Company of Canada (“**Computershare**”), our registrar and transfer agent. To be valid, the Instrument of Proxy must be dated, completed, signed and deposited with Computershare by: (i) mail to 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 Attention: Proxy Department; (ii) phone at 1-866-732-8683 (Toll-Free Canada & U.S.) or 1-312-588-4290 (Toll-Free International), entering the 15-digit control number found on your Instrument of Proxy; or (iii) online at www.investorvote.com, entering the 15-digit control number found on your Instrument of Proxy, or as otherwise indicated in the instructions contained in the Instrument of Proxy.

In order to be valid and acted upon at the Meeting, Instruments of Proxy must be received not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the time set for the holding of the Meeting or any adjournment thereof. Registered Shareholders are cautioned that using mail to transmit Instruments of Proxy is at their own risk.

Non-Registered Shareholders

Beneficial Shareholders are those who beneficially own Common Shares that are registered in the name of a broker, another intermediary or an agent of that broker or intermediary, rather than their own name. Without specific instructions, intermediaries are prohibited from voting Common Shares for their clients. For Beneficial Shareholders, it is vital to return the VIF provided to such Beneficial Shareholder according to the instructions, sufficiently in advance of the deadline specified by

the broker, intermediary or its agent, to ensure that they are able to provide voting instructions on such Beneficial Shareholder's behalf.

Record Date

The board of directors of the Corporation (the "**Board**") has fixed the record date for the Meeting at the close of business on June 12, 2025 (the "**Record Date**"). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote those Common Shares included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such Shareholder transfers Common Shares after the Record Date and the transferee of those Common Shares, having produced properly endorsed certificates evidencing such Common Shares or having otherwise established that he or she owns such Common Shares, demands, not later than ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Common Shares at the Meeting.

In the event of an adjournment or postponement of the Meeting, the adjourned or postponed Meeting will be held at a time and place to be specified either by the Corporation before the Meeting or by the chair of the Meeting, as applicable.



Shareholders can access the Meeting materials under the Corporation's SEDAR+ profile at www.sedarplus.ca

If you have questions on voting, please contact Computershare at 1-800-564-6253 (Toll-Free North America) or 1-514-982-7555 (Toll-Free International)

DATED this 16th day of June, 2025.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Peter Bak*"

Peter Bak
Board Chair

This management information circular (the “**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Kovo+ Holdings Inc. (the “**Corporation**” or “**Kovo**”) for use at the annual general and special meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of the Corporation to be held at the offices of Dentons Canada LLP at 1500, 850 – 2nd St SW, Calgary, Alberta T2P 0R8, on Tuesday, July 15, 2025 at 8:00 a.m. (MDT) for the purposes set forth in the notice of meeting (the “**Notice of Meeting**”) accompanying this Information Circular.

The Corporation presents its consolidated financial statements in United States dollars. In this Information Circular, all references to dollar amounts, including the symbol “\$”, are to United States dollars. Unless otherwise indicated, information set out in this Information Circular is provided as of June 16, 2025.

GENERAL PROXY INFORMATION

Voting of Common Shares

The voting process depends on whether you are a registered Shareholder (or a proxyholder duly appointed thereby) (a “**Registered Shareholder**”) or a non-registered Shareholder (a “**Beneficial Shareholder**”).

Registered Shareholders

You are a Registered Shareholder if you hold Common Shares in your own name, as recorded in the Shareholders’ register maintained by Computershare Trust Company (“**Computershare**”), the Corporation’s registrar and transfer agent.

Beneficial Shareholders

You are a Beneficial Shareholder if your Common Shares are not registered in your own name, but are instead registered in the name of a bank, trust company, securities dealer or broker, a trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan, or a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the intermediary is a participant.

If you are a Registered Shareholder, a form of proxy (“**Instrument of Proxy**”) is enclosed, and if you are a Beneficial Shareholder, a voting instruction form (“**VIF**”) is enclosed. Most Shareholders are Beneficial Shareholders because the Common Shares they own are not registered in their names.

Record Date

The board of directors of the Corporation (the “**Board**”) has fixed the record date for the Meeting at the close of business on June 12, 2025 (the “**Record Date**”). Only Shareholders of record as at the Record Date will be entitled to vote at the Meeting, unless that Shareholder has transferred any Common Shares subsequent to that date and the transferee Shareholder, not later than ten (10) days before the Meeting, establishes ownership of such Common Shares and demands that the transferee’s name be included on the list of Shareholders entitled to vote at the Meeting.

Voting at the Meeting

A Registered Shareholder or a Beneficial Shareholder who has appointed themselves as proxyholder to represent them at the Meeting will appear on a list of Shareholders prepared by Computershare. Registered Shareholders and duly appointed proxyholders (including Beneficial Shareholders who have duly appointed themselves as proxyholder) will be able to attend the Meeting, submit or ask questions, and vote in person at the Meeting. To vote in person at the Meeting, such Shareholder or appointee will be required to register for the Meeting by identifying themselves at the registration desk.

If you are a Beneficial Shareholder who wishes to attend the Meeting, submit or ask questions and vote in person, you have to appoint yourself as proxyholder first and then also register with Computershare. Beneficial Shareholders who fail to appoint

themselves as proxyholder can still attend the Meeting as guests; however, they will not be able to vote at the Meeting, submit or ask questions.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not the Registered Shareholder is able to attend the Meeting. The Instrument of Proxy shall be in writing and shall be executed by the Registered Shareholder, or the Registered Shareholder's attorney authorized in writing or, if the Registered Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

Registered Shareholders may submit the Instrument of Proxy by:

Mail or Hand Delivery



Computershare Trust Company of Canada
8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1

Phone



1-866-732-8683 (Toll-Free Canada & U.S.) or 1-312-588-4290 (Toll-Free International)
You will need to provide your 15-digit control number (located on the Instrument of Proxy accompanying this Information Circular)

Online



www.investorvote.com
You will need to provide your 15-digit control number (located on the Instrument of Proxy accompanying this Information Circular)

In all cases, Registered Shareholders' votes must be received not later than 8:00 a.m. (MDT) on July 11, 2025, or not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for the holding of the Meeting or any adjournment thereof.

Non-Registered Shareholders

The information set forth in this section is provided to Beneficial Shareholders. Beneficial Shareholders should note that only proxies deposited by Registered Shareholders can 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 or other intermediary, then in almost all cases, those shares will not be registered in the Beneficial Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Beneficial Shareholder's broker, an agent of that broker, or other intermediary. The vast majority of such Common 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 Cede & Co. (as nominee for The Depository Trust Company, which acts as depository for many U.S. brokerage firms and custodian banks). Common Shares held by brokers or their nominees can only be voted upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting shares for their clients. The Corporation does not know for whose benefit the Common Shares registered in the name of CDS & Co. or Cede & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge

Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically provides a scannable VIF or applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the VIF or proxy forms to Broadridge. Often, Beneficial Shareholders are alternatively provided with a toll-free telephone number to vote their Common Shares or a website where their Common Shares can be voted. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares held by Beneficial Shareholders to be represented at the Meeting. A Beneficial Shareholder receiving a VIF or a proxy with a Broadridge sticker on it cannot use that VIF or proxy to vote Common Shares directly at the Meeting as the proxy must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted. Accordingly, it is strongly suggested that Beneficial Shareholders return their completed VIFs or proxies as directed by Broadridge well in advance of the Meeting.

Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for a Registered Shareholder should enter their own names in the blank space on the proxy form provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or the broker’s agent), well in advance of the Meeting as instructed on the form. Beneficial Shareholders may be subject to earlier deadlines as specified in their VIF or voting instructions.

Revocability of Proxy

A Registered Shareholder who has submitted an Instrument of Proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy prior to the exercise thereof and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by the Registered Shareholder or the Registered Shareholder’s attorney authorized in writing deposited either at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof, and upon either of such deposits, the proxy is revoked.

Beneficial Shareholders who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their intermediary to change their vote and, if necessary, revoke their proxy in accordance with their revocation procedures.

Appointment of Proxyholder

Your proxyholder is the person you appoint to cast your votes at the Meeting on your behalf. The person(s) named in the enclosed Instrument of Proxy or VIF are directors and officers of the Corporation or legal counsel of the Corporation. If you have not specified how to vote on a particular matter, your proxyholder can vote your Common Shares as they see fit. If you have appointed our directors and officers named on the Instrument of Proxy or VIF as your proxyholder, and you have not specified how you want your Common Shares to be voted, such Common Shares will be voted FOR each of the items of business described in this Information Circular.

Shareholders wishing to appoint someone other than the individuals designated in the enclosed Instrument of Proxy or VIF to vote their Common Shares must write the name of this person, who need not be a Shareholder, in the blank space provided in the Instrument of Proxy or VIF. For each item of business described in this Information Circular, your proxyholder must vote your Common Shares on each according to your instructions if you have properly completed and returned an Instrument of Proxy or VIF. It is important to ensure that any other person you appoint as proxyholder is attending the Meeting and is aware of their appointment to vote your Common Shares.

Persons Making the Solicitation

The solicitation is made on behalf of the management of the Corporation. The costs incurred in the preparation and mailing of the Meeting materials will be borne by the Corporation. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Corporation, who will not be specifically remunerated therefor.

Exercise of Discretion by Proxy

The Common Shares represented by proxy will be voted or withheld from voting in accordance with your instructions on the Instrument of Proxy or VIF. The Instrument of Proxy or VIF, as applicable, also confers discretionary authority upon the person(s) named therein. If any amendments are proposed to any matter, or if other matters are properly brought before the Meeting, then, in each case, your proxyholder can vote your Common Shares as they see fit. As of the date of this Information Circular, management of the Corporation knows of no such amendment, variation or other matter.



Shareholders can access the Meeting materials on the Corporation's SEDAR+ profile at www.sedarplus.ca

If you have questions on voting, please contact Computershare at 1-800-564-6253 (Toll-Free North America) or 1-514-982-7555 (Toll-Free International)



VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the close of business on June 16, 2025, there were 176,890,724 Common Shares issued and outstanding, each of which carries the right to one vote at the Meeting and meetings of the Shareholders of the Corporation.

As of the date of this Information Circular, the only persons or companies who, to our knowledge, beneficially own, or control or direct, directly or indirectly, voting securities carrying 10% or more of the outstanding Common Shares are as follows:

Name	Approximate Number of Direct or Indirect Common Share Ownership	Approximate Percentage of Outstanding Common Shares
Michael Steele ⁽¹⁾	119,920,009	67.79%

(1) Mr. Michael Steele, one of our Board nominees, has control and direction of the holdings of Avonlea Ventures #2 Inc. ("AVI"), which holds 106,739,971 Common Shares, and HEAL USA, Inc. ("HEAL USA"), which holds 13,180,038 Common Shares.

MATTERS TO BE ACTED UPON AT THE MEETING

Financial Statements and Auditors' Report

At the Meeting, Shareholders will receive and consider the financial statements of the Corporation for the year ended December 31, 2024, and the auditors' reports thereon. No formal action is required or proposed to be taken at the Meeting with respect to the financial statements.

Fixing the Number of Directors

At the Meeting, it is proposed that the number of directors to be elected at the Meeting to hold office until the next annual general meeting of the Corporation or until their successors are elected or appointed, subject to the articles or by-laws of the Corporation, be set at four (4).



Unless otherwise directed, the person(s) named in the accompanying Instrument of Proxy or VIF intend to vote FOR fixing the number of directors to be elected at the Meeting at four (4).

Election of Directors

At the Meeting, Shareholders will be asked to elect each of the proposed directors set forth below to hold office until the next annual meeting or until their successors are elected or appointed. There are presently four (4) directors of the Corporation whose term on the Board expires at the Meeting.

The following provides information regarding the persons nominated for election as directors, including the names and places of residence, period served as director, offices held by each director nominee, present principal occupation, business or employment, and the number of voting securities of the Corporation beneficially owned or controlled or directed, directly or indirectly.

Name and Place of Residence	Current Position(s) with Corporation	Director Since	Principal Occupation for Previous Five Years	Common Shares Beneficially Owned
Dr. Peter Bak ⁽¹⁾ <i>Toronto, Ontario</i>	Board Chair, Director	Feb. 20, 2020	Global e-Health innovator and expert; chief executive officer and founder at Axon; architect of North America’s first fully digital hospital	6,333,936 ⁽³⁾
Harp Gahunia ⁽¹⁾⁽²⁾ <i>Markham, Ontario</i>	Director	Feb. 20, 2020	Financial and strategic C-level consultant; serving with CFO positions held in both public and private companies. Industry specialties include fintech and payments, telecom, technology SaaS, cryptocurrencies, AI, and health tech	487,600 ⁽⁴⁾
Michael Steele ⁽¹⁾⁽²⁾ <i>Caledon, Ontario</i>	Director	Apr. 20, 2023	President and Founder of The Steele Family Foundation, successful serial entrepreneur now focused on building a patient-focused healthcare company based on the principles of trust and transparency	119,920,009 ⁽⁵⁾
Robert Galarza ⁽²⁾ <i>Dallas, Texas</i>	Director	Mar. 7, 2024	Executive leader in healthcare, specializing in personalized wellness programs. Former CEO of TruTrace Technologies	71,653 ⁽⁶⁾

Notes:

- (1) Member of the Audit Committee (the “**Audit Committee**”).
- (2) Member of the Compensation and Corporate Governance Committee (the “**CCG Committee**”).
- (3) Mr. Bak holds 3,773,936 Common Shares through Axon Veterinarian Care Technologies Corp., and 2,560,000 Common Shares through Vantage Business Management Services, both of which are controlled by Mr. Bak.
- (4) Mr. Gahunia holds 87,600 Common Shares personally and 400,000 Common Shares through Desiview Television Inc., a company controlled by Mr. Gahunia.
- (5) Mr. Steele holds 106,739,971 Common Shares through AVI and 13,180,038 Common Shares through HEAL USA.
- (6) Mr. Galarza holds all of his Common Shares through Audax Capital Partners LLC, a limited liability company controlled by Mr. Galarza.

In the director nominee profiles, “Common Shares Beneficially Owned” includes Common Shares beneficially owned, or controlled or directed, directly or indirectly, by each director nominee as of the date of this Information Circular and is based upon the information furnished to the Corporation by the respective director nominees. As at the date of this Information Circular, the directors and officers of the Corporation, and their associates and affiliates, as a group own or control, directly or indirectly, 132,131,249 Common Shares or 74.70% of the issued and outstanding Common Shares.

Director Biographies

Dr. Peter Bak

Kovo’s Executive Chairman is a recognized global e-Health and healthcare operations innovator. As CEO and Founder at Axon, Dr. Bak invented and oversaw development of the record sharing and visual indexing system that revolutionized the way patients and physicians interact with an e-medical record. Dr. Bak has helped various countries with their e-Health strategies and implementation, assisted regional authorities with health IT implementations and is the architect of North America’s first fully digital hospital’s – Humber River Hospital – digital vision.

Harp Gahunia

Mr. Gahunia has completed over \$150M in financings for a wide range of companies – and sits on multiple Boards of health-tech, digital transformation and AI leaders. Mr. Gahunia started his career at Deloitte, working with innovative clients that included Bell New Ventures, Virgin Mobile and Optiva as a telecommunications specialist in the Toronto, Canada and Sydney, Australia offices. Mr. Gahunia recently exited Coinberry as its CFO after the company was sold to Wonderfi Technologies.

Michael Steele

Mr. Steele is a serial entrepreneur with over forty years of international business experience in a multitude of industries from mining, oil and gas, food processing, real estate, and more recently his passion for healthcare. Currently, the President and Founder of The Steele Family Foundation, his global experiences in philanthropic endeavors for children have strengthened his resolve to build a patient-focused healthcare company based on the principles of trust and transparency.

Robert Galarza

Mr. Galarza is an executive leader in healthcare, specializing in personalized wellness programs. Former CEO of TruTrace Technologies, he developed the first blockchain platform to track intellectual property for the emerging medical cannabis sector. With a background in law, advertising, and digital tech, he focuses on SaaS, mobile platforms, and blockchain innovation in healthcare.

> Unless otherwise directed, the person(s) named in the accompanying Instrument of Proxy or VIF intend to vote FOR the election of the director nominees identified above.

Management does not believe that any of the nominees will be unable to serve as a director but, if this should occur for any reason prior to the Meeting, the persons named in the enclosed Instrument of Proxy or VIF may vote for another nominee at their discretion.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No proposed director is as at the date hereof, or has been:

- (a) within 10 years of the date hereof, a director or chief executive officer or chief financial officer of any company, including the Corporation, that:
 - (i) while that person was acting in that capacity, was the subject of a cease trade 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
 - (ii) was subject to an event that resulted in such company, after the director or executive officer ceased to be a director chief executive officer or chief financial officer of the company, being the subject of a cease trade 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 and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer;
- (b) within 10 years of the date hereof, a director or executive officer of any company, including the Corporation, that, while that person was acting in their capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or

- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

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

New Compensation Plan

The Corporation currently has an omnibus incentive plan (the “**Legacy Plan**”), as amended, that permits the granting of incentive stock options (“**Options**”), restricted share units (“**RSUs**”), performance share units (“**PSUs**”) and deferred share units (“**DSUs**”, and together with Options, RSUs, and PSUs, the “**Awards**”) to eligible participants (“**Participants**”) of the Corporation and its subsidiaries. The Legacy Plan provided for the fixed grant of Awards up to 11,508,781 Common Shares. The Shareholders of the Corporation previously approved an amendment to the Legacy Plan during the annual general and special meeting held on December 8, 2023 to increase the maximum number of Common Shares issuable pursuant to Awards under the Legacy Plan from 7,857,204 to 11,508,781.

In order to comply with recent updates made to TSX Venture Exchange (“**TSXV**”) Policy 4.4 – *Security Based Compensation*, and to provide for the rolling grant of Options equal to up to 10% of the issued and outstanding Common Shares, the Corporation proposes replacing its Legacy Plan. At the Meeting, Shareholders will be asked to approve a new omnibus equity incentive plan (the “**New Compensation Plan**”), a copy of which is attached hereto as Schedule “B”, that was approved by the Board on June 16, 2025 and is subject to final TSXV approval.

The following resolution, with or without variation, will be placed before Shareholders in order to approve and ratify adoption of the New Compensation Plan:

“RESOLVED THAT:

1. subject to TSXV approval, the New Compensation Plan of the Corporation, which provides for the rolling grant of Options to acquire up to 10% of the number of issued and outstanding Common Shares of the Corporation, be and the same is hereby ratified, confirmed and approved;
2. all unallocated stock options under the New Compensation Plan, as may be amended and/or restated from time to time, be and hereby are approved; and
3. any one director or officer of the Corporation be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution.”

In order to be passed, the resolution respecting the New Compensation Plan must be approved by a simple majority of votes cast by Shareholders who vote in person or by proxy at the Meeting in respect of the resolution.

> Unless otherwise directed, the person(s) named in the accompanying Instrument of Proxy or VIF intend to vote FOR the ratification and confirmation of the New Compensation Plan.

Appointment of Auditors

At the Meeting, Shareholders will be asked to pass an ordinary resolution approving the reappointment of SRCO Professional Corporation, Chartered Accountants, as auditors of the Corporation to hold office until the next annual meeting of the shareholders and to authorize the directors to fix their remuneration as such. SRCO Professional Corporation has served as the Corporation's auditors since 2021. In order to be passed, this resolution must be approved by a majority of the votes cast by Shareholders present at the Meeting in person or by proxy.

- Unless otherwise directed, the person(s) named in the accompanying Instrument of Proxy or VIF intend to vote FOR the reappointment of SRCO Professional Corporation as auditors of the Corporation to hold office until the next annual meeting of the shareholders and to authorize the directors to fix their remuneration as such.

OTHER MATTERS COMING BEFORE THE MEETING

As at the date hereof, management of the Corporation does not know of any business, other than as set out in this Information Circular, that will be presented at the Meeting. However, if any other matters properly come before the Meeting, it is the intention of the person(s) named in the accompanying Instrument of Proxy or VIF to vote all proxies in accordance with their judgment upon any such matters.

STATEMENT OF EXECUTIVE COMPENSATION

Pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), the Corporation is required to disclose certain information with respect to its compensation of Named Executive Officers (“**NEOs**”) and the directors, as summarized below. The Corporation is a venture issuer and is disclosing its executive compensation in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*.

For the purpose of this Statement of Executive Compensation, a NEO of the Corporation means each of the following individuals:

- (a) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief executive officer (“**CEO**”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief financial officer (“**CFO**”), including an individual performing functions similar to a CFO;
- (c) in respect of the Corporation and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, at the end of that financial year.

For the period ending December 31, 2024, the Corporation had the following NEOs:

- Justin Anderson, Chief Executive Officer;
- Mark Detz, former Chief Financial Officer; and
- Brenner Adams, Chief Strategy Officer.

Director and NEO Compensation

Director and NEO Compensation, Excluding Compensation Securities

The following table provides information regarding the annual compensation paid to or earned by the Corporation's NEOs and directors for the financial years ended December 31, 2024 and 2023.

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (USD\$)	Bonus (USD\$)	Committee or Meeting Fees (USD\$)	Value of Perquisites ⁽¹⁾ (USD\$)	Value of all Other Compensation (USD\$)	Total Compensation (USD\$)
Justin Anderson <i>CEO</i>	2024	102,500	Nil	Nil	Nil	Nil	102,500
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Mark Detz <i>Former CFO</i>	2024	142,575	22,935	Nil	Nil	Nil	165,510
	2023	124,757	Nil	Nil	Nil	Nil	124,757
Brenner Adams <i>CSO</i>	2024	38,379	Nil	Nil	Nil	Nil	38,379
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Greg Noble <i>Former CEO</i>	2024	295,017	Nil	Nil	Nil	Nil	295,017
	2023	217,500	Nil	Nil	Nil	Nil	217,500
Inder Saini <i>Former CFO</i>	2024	129,018	60,000	Nil	Nil	Nil	189,018
	2023	210,000	60,000	Nil	Nil	Nil	270,000
Jeana Noble <i>Former CCO</i>	2024	210,677	Nil	Nil	Nil	Nil	210,677
	2023	150,000	Nil	Nil	Nil	Nil	150,000
Peter Bak <i>Director</i>	2024	25,000	Nil	Nil	Nil	Nil	25,000
	2023	20,507	Nil	Nil	Nil	Nil	20,507
Michael Steele <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Harp Gahunia <i>Director</i>	2024	174,676	Nil	Nil	Nil	Nil	174,676
	2023	20,533	Nil	Nil	Nil	Nil	20,533
Robert Galarza <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) "Value of perquisites" means perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are greater than (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year, if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000, if the NEO or director's total salary for the financial year is \$500,000 or greater.
- (2) Mr. Steele was appointed to the Board on April 20, 2023.
- (3) Mr. Galarza was appointed to the Board on March 7, 2024.
- (4) Mr. Detz resigned as the Corporation's CFO on June 4, 2025.

External Management Companies

The Corporation has not engaged the services of an external management company to provide executive management services to the Corporation, directly or indirectly.

Stock Options and Other Compensation Securities

There were no stock options or other compensation securities granted for any NEO or director of the Corporation during the financial year ended December 31, 2024.

Exercise of Option-Based Awards

There were no exercises of option-based awards for any NEO or director of the Corporation during the financial year ended December 31, 2024.

Stock Options and Other Incentive Plans

New Compensation Plan

The Corporation has the Legacy Plan providing for the grant of Awards to Participants of Kovo. As described above, the Corporation is presenting the New Compensation Plan for Shareholder approval at the Meeting, which includes a form required to comply with TSXV Policy 4.4 – *Securities Based Compensation*. The New Compensation Plan provides Shareholder-aligned incentives to Participants who make material contributions to the successful operation of the business, increases executives' ownership interest in the Corporation, and allows Kovo to attract and retain key personnel. The weighting in long-term incentives is intended to strengthen the alignment between executive pay and creating long-term Shareholder value.

The following information is intended as a brief description of the New Compensation Plan and is qualified in its entirety by the full text of the New Compensation Plan, which can be found on the Corporation's SEDAR+ profile at www.sedarplus.ca.

Administration

The New Compensation 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. Total compensation is targeted to be competitive, within the median range of industry peers, with the opportunity to exceed the median when individual and corporate performance are above expectations.

Participation

By its terms, the Board may grant Awards to eligible Participants, and participation in the New Compensation Plan is voluntary. If a Participant agrees to participate, the grant of Awards will be evidenced by a written agreement (each, an "**Award Agreement**") with each such Participant. The interest of any Participant in any Award is not assignable or transferable, whether voluntary, involuntary, by operation of law or otherwise, other than by will or the laws of descent and distribution.

Common Shares Subject to the New Compensation Plan

Under the New Compensation Plan, the total number of Common Shares issuable pursuant to Options outstanding at any time and all other Security Based Compensation Arrangements (as such term is defined in the New Compensation Plan) shall not exceed 10% of the aggregate number of Common Shares which are outstanding from time to time, inclusive of Common Shares issuable upon exercise of Options previously granted under the Legacy Plan.

In addition, any grant of Awards shall be subject to the following restrictions (subject to applicable Shareholder approval in accordance with the policies of the TSXV):

- the aggregate number of Common Shares reserved for issuance pursuant to Awards, together with awards granted under any other Security Based Compensation Arrangements of the Corporation, granted to any one person in any twelve (12) month period shall not exceed 5% of the outstanding Common Shares (on a non-diluted basis) determined at the time of grant;

- the aggregate number of Common Shares reserved for issuance pursuant to Awards, together with awards under any other Security Based Compensation Arrangements of the Corporation, granted to insiders (as a group) may not exceed 10% of the outstanding Common Shares (on a non-diluted basis) at any point in time;
- the aggregate number of Common Shares reserved for issuance pursuant to Awards, together with awards under any other security based compensation plan of the Corporation, granted to insiders (as a group) in any twelve (12) month period shall not exceed 10% of the outstanding Common Shares (on a non-diluted basis) determined at the time of grant;
- the aggregate number of Common Shares issuable pursuant to Awards, together with awards under any other Security Based Compensation Arrangements of the Corporation, granted to any consultant in any twelve (12) month period shall not exceed 2% of the outstanding Common Shares (on a non-diluted basis) determined at the time of grant; and
- Investor Relations Service Providers (as defined in TSXV Policy 4.4) shall only be entitled to Options under the New Compensation Plan and the aggregate number of Common Shares issuable pursuant to Options under the New Compensation Plan, together with Options under any other Security Based Compensation Arrangements of the Corporation, granted to all such persons in any twelve (12) month period shall not exceed 2% of the outstanding Common Shares determined at the time of grant.

Stock Options

An Option will be exercisable no later than ten (10) years after the date the Option is granted or such shorter period as set out in the Participant's Award Agreement. The exercise price for Common Shares that are the subject of any Option shall be fixed by the Board when such Option is granted, but shall not be less than the market price of such Common Shares at the time of the grant, except that at all times when the Corporation is listed on the TSXV, the exercise price shall not be less than the Discounted Market Price (as defined in TSXV Policy 1.1).

The New Compensation Plan provides that during such time as the Corporation is listed on the TSXV, the exercise period will automatically be extended if the date on which the Option is scheduled to terminate falls during a black-out period ("BOP"). In such cases, the extended exercise period will terminate ten (10) business days after the last day of the BOP. (If the Corporation is not listed on the TSXV, each Option that would expire during or within ten (10) business days immediately following a BOP will expire on the date that is ten (10) business days immediately following the expiration of the BOP). In order to facilitate the payment of the exercise price of the Options, the New Compensation Plan has a "net exercise" feature pursuant to which a Participant (other than Investor Relations Service Providers) may elect to undertake a "net exercise" subject to the procedures set out in the New Compensation Plan.

Subject to any vesting restrictions imposed by the TSXV, or as may otherwise be determined by the Board at the time of grant, Options shall vest equally over a four-year period such that 1/4 of the Options shall vest on the first, second, third and fourth anniversary dates of the date that the Options were granted.

Performance Share Units

PSUs are performance-based Awards designed to reward Participants for enhancing Shareholder value. A PSU is a right to receive a Common Share issued from treasury upon settlement, subject to the terms of the New Compensation Plan and the applicable Award Agreement, which generally becomes vested subject to the attainment of performance criteria established by the Board in its discretion at the time of grant. PSUs will be subject to a performance multiplier as set forth in each applicable Award Agreement, and which will be based on the achievement of certain performance-related conditions determined by the Board.

Restricted Share Units

RSUs are time-based Awards that function to reward Participants for enhancing Shareholder value. A RSU is a right to receive a Common Share issued from treasury upon settlement, subject to the terms of the New Compensation Plan and the applicable Award Agreement, which generally becomes vested, if at all, following a period of continuous employment or engagement. The Board has the authority to determine the vesting terms applicable to grants of RSUs, except that, at all times when the Corporation is listed on the TSXV, no RSU may vest before the date that is one (1) year following the date it is granted or issued, subject to the terms of the New Compensation Plan and the applicable Award Agreement.

Deferred Share Units

DSUs are Awards attributable to a Participant's duties as a non-management director that, upon settlement, entitle the Participant to receive such number of Common Shares as determined by the Board, or to receive the cash equivalent or a combination thereof and are payable after termination of the Participant's service with the Corporation. Subject to any requirements of the TSXV, the Board may determine the expiry date of each DSU, provided that if a DSU would otherwise settle or expire during a BOP, the Board may extend such date. The Board has the authority to determine the vesting terms applicable to grants of DSUs, except that, at all times when the Corporation is listed on the TSXV, no DSU may vest before the date that is one (1) year following the date it is granted or issued, subject to the terms of the New Compensation Plan and the applicable Award Agreement.

Settlement of PSUs, DSUs, and RSUs

The vesting period and settlement terms for any RSUs, DSUs, and PSUs granted will be determined by the Board, in its sole discretion, at the time of the grant, subject to the TSXV requirement that no PSUs or RSUs may vest before the date that is one (1) year following the date it is granted or issued, provided, however, that such vesting may be accelerated for a Participant who dies or who ceases to be an eligible Participant under the New Compensation Plan in connection with a Change of Control (as such term is defined in the New Compensation Plan), takeover bid, reverse takeover or other similar transaction. No DSUs may be settled prior to the date the non-employee director ceases to be a director of the Corporation for any reason, including a Change of Control (as such term is defined in the New Compensation Plan), resignation, retirement, death or failure to obtain re-election as a director.

Cessation of Employment or Services

Unless otherwise determined by the Board, the following describes the impact of certain events on a Participant's rights under the New Compensation Plan, subject to the terms of a Participant's employment agreement and Award Agreement.

Termination for Cause

All Awards held by the Participant, whether vested or unvested, shall automatically terminate on the termination date as specified in the notice of termination.

Death or Retirement

If a Participant dies while in their capacity as an eligible Participant, all vested Awards held by the Participant at the date of death may be exercised until the earlier of the expiry date or one (1) year following the date of death of such Participant.

In the case of a Participant's retirement, any unvested Awards held by the Participant as at the termination date shall continue to vest in accordance with their vesting schedules, and all vested Awards may be exercised until the earlier of the expiry date of such Awards or one (1) year following the termination date, provided that, if the Participant is determined to have breached any post-employment restrictive covenants in favour of the Corporation, then any Awards held by the Participant, whether

vested or unvested, shall immediately expire and the Participant shall pay to the Corporation any “in-the-money” amounts realized upon exercise of Awards following the termination date.

Termination Other than for Cause, Death, or Retirement

In the case of a Participant ceasing to be an eligible Participant for any reason other than for cause, retirement or death, subject to any later expiration dates determined by the Board, all Awards shall expire on the earlier of: (i) one (1) year after the effective date of such termination or cessation of a Participant that is a director or officer of the Corporation or a subsidiary, or the expiry date of such Award, to the extent such Award was vested and exercisable by the Participant on the effective date of such termination or cessation; and (ii) ninety (90) days after the effective date of such termination or cessation of a Participant that is not a director or officer of the Corporation or a subsidiary, or the expiry date of such Award, to the extent such Award was vested and exercisable by the Participant on the effective date of such termination or cessation, and all unexercised unvested Awards granted to such Participant shall terminate on the effective date of such termination or cessation.

Change of Control

If a Participant is terminated without cause or resigns for good reason during the 12-month period following a Change of Control (as such term is defined in the New Compensation Plan), or after the Corporation has signed a written agreement to effect a Change of Control but before the Change of Control is completed, then any unvested Awards will immediately vest and may be exercised prior to the earlier of ninety (90) days of such date or the expiry date of such Awards.

Amendments and Termination

The Board may, at any time, suspend or terminate the New Compensation Plan, subject to compliance with any applicable law (including, without limitation, the rules, regulations and policies of the TSXV), or any governmental or regulatory body. Without limiting the generality of the foregoing, the Board may make the following types of amendments to the New Compensation Plan or any Awards without seeking Shareholder approval, provided, however, that all amendments to the New Compensation Plan or Awards granted thereunder will require approval of the TSXV:

- Amendments that clarify existing provisions of the New Compensation Plan;
- Amendments that correct typographical errors;
- Amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSXV);
- Amendments to revise the terms of the New Compensation Plan or an Award Agreement as long as such amendment would not materially and adversely impair any rights arising from any Awards previously granted to a Participant under the New Compensation Plan;
- Amendments necessary to suspend or terminate the New Compensation Plan; and
- Any other amendment that does not require Shareholder approval as set forth below.

Under the New Compensation Plan, Shareholder approval is required for the following types of amendments:

- Any amendment to reduce the exercise price of an Option issued to an insider, in which case, disinterested Shareholder approval must be obtained;
- Any amendment to remove or exceed the Participant participation limits;
- Any amendment to remove or to exceed the insider participation limits;

- Any amendment to the amendment provisions; and
- Any amendment which would allow for the transfer or assignment of Awards under the New Compensation Plan, other than for normal estate settlement purposes.

The policies of the TSXV require Shareholder approval of the New Compensation Plan. See “*Matters to be Acted Upon at the Meeting – New Compensation Plan*”.

Employment, Consulting, and Management Agreements

Other than as disclosed below, the Corporation has no material employment, consulting, or management agreements with the NEOs or directors.

Justin Anderson

The Corporation is party to an executive employment agreement with Justin Anderson with an effective date of December 31, 2024 (the “**Anderson Employment Agreement**”), pursuant to which Mr. Anderson provides services as CEO. The Anderson Employment Agreement is for an indefinite term and provides an annual base salary of \$186,000, with a guaranteed bonus equal to 37.5% of \$1.5 million, payable in five equal annual installments from 2025 through 2029.

The effective date of employment is subject to notification by the Company, at its sole discretion, to Mr. Anderson that it has obtained sufficient debt or equity financing.

Mark Detz

The Corporation was party to an executive employment agreement with Mark Detz with an effective date of January 1, 2022 (the “**Detz Employment Agreement**”), pursuant to which Mr. Detz initially provided services as Vice President of Finance. In June 2024, Mr. Detz was promoted to the role of Interim CFO, subsequently becoming CFO in December 2024. Under the Detz Employment Agreement, Mr. Detz had an annual salary of \$162,000 for his role as CFO and was eligible for bonuses and equity incentives at the discretion of the Board. Mr. Detz resigned as Kovo’s CFO on June 4, 2025.

In the event that Mr. Detz was terminated without cause, Mr. Detz was entitled to receive all minimum rights, benefits and entitlements under the Employment Standards Act.

Brenner Adams

The Corporation entered into an independent contractor agreement with Brenner Adams through his company, Octant Consulting Inc., effective July 1, 2024 (the “**Adams Agreement**”), pursuant to which Mr. Adams provided services as Interim CEO up to December 2024. The Adams Agreement provided annual base compensation of up to \$7,000 per month, with no specified bonus.

In the event that Mr. Adams was terminated without cause, Mr. Adams was entitled to receive (a) payment for services rendered up to the date of termination; and (b) ownership rights to any compensation for work product or intellectual property as provided under the Adams Agreement. From December 2024, Mr. Adams provides services as Chief Strategy Officer with an annualized base salary of \$84,000.

Oversight and Description of Director and NEO Compensation

Compensation Governance

The compensation payable to the Corporation's directors and NEOs is currently determined by the Board in conjunction with the CCG Committee by monitoring our compensation plans and practices and ensuring their congruence with Kovo's compensation goals.

Compensation of NEOs

The Corporation's compensation practices are designed to retain, motivate and reward its executive officers for their performance and contribution to the Corporation's long-term success and are overseen by the Board, or, from time to time, a committee thereof.

The Corporation's compensation program consists primarily of three elements:

- Base Salary;
- Annual Bonus; and
- Long-Term Equity Incentives

Base Salary

Base salaries for the Corporation's executive officers are established based on the scope of their responsibilities and their prior relevant experience, taking into account competitive market compensation paid by other companies in the Corporation's industry for similar positions and the overall market demand for such executives at the time of hire. An executive officer's base salary will also be determined by reviewing the executive officer's other compensation with the intent that the executive officer's total compensation is in line with the Corporation's overall compensation philosophy.

Base salaries are to be reviewed annually and increased for merit reasons, based on the executive officers' success in meeting or exceeding individual objectives, and considering prevailing market conditions. Additionally, the Corporation may adjust base salaries as warranted throughout the year for promotions or significant changes in the scope or breadth of an executive officer's role or responsibilities.

Annual Bonus

The Corporation's compensation program includes eligibility for an annual incentive cash bonus. Annual incentive cash bonuses are discretionary and are not awarded pursuant to a formal plan. The Board assesses the level of the executive officer's achievement of meeting individual goals, as well as that executive officer's contribution towards corporation-wide goals. The amount of the cash bonus is expected to depend on the level of achievement of the individual performance goals, with a target bonus generally to be set as a percentage of base salary and based on profitability measures.

Long-Term Equity Incentives

The Corporation believes that equity-based awards will allow it to reward executive officers for their sustained contributions to the Corporation. The Corporation also believes that equity awards reward continued employment by an executive officer, with an associated benefit to the Corporation of employee continuity and retention. The Board believes that Options and other equity incentive Awards provide management with a strong link to long-term corporate performance and the creation of Shareholder value. The Legacy Plan (as replaced pursuant to the New Compensation Plan) allows the Corporation to grant Options and Awards considering the individual's position, scope of responsibility, ability to affect profits, historic and recent

performance, and the value of the Awards in relation to other elements of the executive’s total compensation. The Board considers previous Options and Award grants when considering new grants under the Legacy Plan (as replaced pursuant to the New Compensation Plan).

Compensation of Directors

The Corporation compensates its directors commensurate with current industry standards and their ability to contribute to the sustained performance of the Corporation. Directors are also reimbursed for their out-of-pocket expenses incurred in connection with rendering services to the Corporation.

Pension Disclosure

The Corporation does not have in place any pension plan or similar benefit program that provides for payments or benefits at, following or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following sets forth information in respect of securities authorized for issuance under the Legacy Plan as at December 31, 2024.

Plan Category	Number of securities to be issued upon exercise of outstanding Awards	Weighted average exercise price of outstanding Awards	Number of securities remaining available for future issuance under equity compensation plans
<i>Equity compensation plans approved by securityholders⁽¹⁾</i>	11,508,781	\$0.07	4,168,024
<i>Equity compensation plans not approved by securityholders</i>	N/A	N/A	N/A
Total:	11,508,781	\$0.07	4,168,024

Notes:

(1) The Legacy Plan authorizes the issuance of Awards up to 11,508,781 in the aggregate. See “*Stock Options and Other Compensation Securities – New Compensation Plan*”.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former executive officer, director or employee of the Corporation or any of its subsidiaries, or any associate of any such director, officer or employee is, or has been at any time since the beginning of the most recently completed financial year of the Corporation, indebted to the Corporation or any of its subsidiaries in respect of any indebtedness that is still outstanding, nor, at any time since the beginning of the most recently completed financial year of the Corporation has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

AUDIT COMMITTEE

The following sets forth the disclosure required by Form 52-110F2 – *Disclosure by Venture Issuers* (“**52-110F2**”) under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”).

Audit Committee Charter

The Board adopted a written charter for the Audit Committee (the “**Committee Charter**”), guiding its responsibility for, among other things, assisting the Board in its oversight of the Corporation’s financial statements, public disclosures, legal and

regulatory compliance relating to financial reporting, the external auditor’s qualifications and independence and the performance of the internal audit function and the external auditors. The Committee Charter is attached hereto as Schedule “A”.

Composition of the Audit Committee

The Corporation is required by applicable corporate and securities legislation to have an Audit Committee comprised of three directors that are considered “financially literate” and a majority of which are considered “independent”, as such terms are defined in NI 52-110.

Name of Director	“Independence” ⁽¹⁾	“Financial Literacy” ⁽²⁾
Harp Gahunia (Chair)	✓	✓
Peter Bak	✓	✓
Michael Steele	-	✓

Notes:

(1) As defined in section 1.4 of NI 52-110.

(2) As defined in section 1.6 of NI 52-110.

Relevant Education and Expertise

The following is a brief description of the education and experience of each member of our Audit Committee that is relevant to their performance of the responsibilities outlined in the Committee Charter:

<i>Harp Gahunia (Chair)</i>	Mr. Gahunia is a Certified Public Accountant and holds a Masters of Accounting diploma from the University of Waterloo. His work background includes over \$150M in financings and extensive board experience in health-tech and AI. He began his career at Deloitte, specializing in telecommunications, where he gained deep expertise in accounting principles, financial reporting, and assessing estimates, accruals, and provisions for innovative, high-growth clients.
<i>Peter Bak</i>	Dr. Peter Bak, Kovo’s Board Chair, has extensive experience in healthcare operations and e-Health innovation. His leadership in developing Axon’s record-sharing system and advising on e-Health strategies equips him with a strong understanding of complex systems, which is valuable for assessing accounting principles, estimates, accruals, and provisions.
<i>Michael Steele</i>	Mr. Steele is a serial entrepreneur with over forty years of international business experience in a multitude of industries from mining, oil and gas, food processing, real estate, and more recently, his passion for healthcare. Currently, the President and Founder of The Steele Family Foundation, his global experiences in philanthropic endeavors for children have strengthened his resolve to build a patient-focused healthcare company based on the principles of trust and transparency.

Audit Committee Oversight

Since the commencement of the Corporation’s most recently completed financial year, each recommendation of the Audit Committee to nominate or compensate the external auditors has been adopted by the Board.

Reliance on Certain Exemptions

The Corporation does not rely on any of the exemptions set forth in Section 5 of 52-110F2.

Pre-Approval Policies and Procedures

Aside from requiring the Audit Committee to approve all non-audit services provided by the Corporation's auditors, the Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. The Corporation's auditors did not provide any material non-audit services to the Corporation for the years ending December 31, 2024 and 2023.

External Auditor Service Fees

The following is a summary of the fees paid to the Corporation's auditor, SRCO Professional Corporation, for external audit and other services during the periods indicated.

Financial Year	Audit Fees ⁽¹⁾ (\$)	Audit-Related Fees ⁽²⁾ (\$)	Tax Fees ⁽³⁾ (\$)	All Other Fees ⁽⁴⁾ (\$)
2024	\$89,250	Nil	Nil	Nil
2023	\$86,500	Nil	Nil	Nil

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" are the aggregate fees billed for assurance and related services, required to be performed by the Corporation's external auditor, that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not disclosed under "Audit Fees". For Audit-Related Fees during the two most recently completed financial years, the Corporation had no such amounts billed.
- (3) "Tax Fees" include fees for tax compliance, tax planning and tax advice. Tax planning and tax advice include 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" are the aggregate fees billed for services provided by the Corporation's auditor other than the services reported under "Audit Fees", "Audit-Related Fees" and "Tax Fees", for which the Corporation had none in the two most recently completed financial years.

CORPORATE GOVERNANCE PRACTICES

The following sets forth the disclosure required by Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* ("**58-101F2**") under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**").

Board of Directors

The Board has determined that Harp Gahunia and Peter Bak are both independent within the meaning of Section 1.2 of NI 58-101. Pursuant to Section 1.4 of NI 52-110, Messrs. Steele and Galarza are not considered independent.

As two of four Board members are independent, the Board believes it can function independently of management. If determined necessary or appropriate, at the end of or during each meeting of the Board or the committees thereof, the members of management of the Corporation and the non-independent directors of the Corporation who are present at such meeting may be asked to leave the meeting in order for the independent directors to meet. In addition, other meetings of the independent directors may be held from time to time if required.

Directorships

The following directors on the Board are presently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction or foreign jurisdiction:

Director	Reporting Issuer	Exchange
Robert Galarza	TruTrace Technologies Inc.	CSE

Orientation and Continuing Education

No formal education program currently exists for the orientation of new directors and existing directors. While the Corporation does not currently have a formal orientation program for new directors, new directors are provided with access to all background documents in respect of the Corporation, including all corporate records, prior Board materials and a presentation is made by management to new directors respecting the nature and operations of the Corporation's business. Existing directors are also expected to provide orientation and education to new members on an informal and ad hoc basis. The Corporation encourages directors to attend, enrol or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters. Each director of the Corporation has the responsibility for ensuring that he maintains the skill and knowledge necessary to meet his obligations as a director.

Ethical Business Conduct

The Board has adopted a written code of business conduct and ethics (the "Code"), which applies to all employees, contractors, consultants, officers and directors of the Corporation. The purpose of the Code is to, among other things, promote honest and ethical conduct, promote the avoidance of conflicts of interest, promote compliance with applicable laws, rules and regulations, provide guidance to employees, contractors, consultants, officers and directors of the Corporation to help them recognize and deal with ethical issues and help foster a culture of honesty and accountability for the Corporation.

Nomination of Directors

The Board as a whole is responsible for recommending suitable candidates for nominees for election or appointment as director and recommending the criteria governing the overall composition of the Board and governing the desirable characteristics for directors. In making such recommendations, the Board is to consider: (i) the competence and skills that the Board considers to be necessary for the Board, as a whole, to possess; (ii) the competence and skills that the Board considers each existing director to possess; (iii) the competencies and skills that each new nominee will bring to the boardroom; and (iv) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board. Periodically, the Board reviews composition of the Board to ensure that an appropriate number of independent directors sit on the Board and analyze the needs of the Board and recommend nominees who meet such needs.

Compensation

See "*Statement of Executive Compensation*" for a summary of the steps that are taken to determine compensation for the directors and NEOs of the Corporation.

Other Board Committees

Aside from the Audit Committee, the Corporation maintains the CCG Committee, which functions to assist the Board in fulfilling its oversight responsibilities with respect to human resources policies and executive compensation. The CCG Committee is comprised of Michael Steele, Harp Gahunia, and Robert Galarza.

Assessments

The Corporation has not commenced a formal process of assessing the Board and its committees or the individual directors. To date, the Board has satisfied itself that the Board, its committees and individual directors are performing effectively through informal discussions.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, there were no material interests, direct or indirect, of directors or executive officers of the Corporation, of any Shareholder who beneficially owns or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, or any other Informed Person (as defined in NI 51-102) or any known associate or affiliate of

such persons, in any transaction since the commencement of the most recently completed financial year of the Corporation or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

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

Management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or nominee for director, or executive officer of the Corporation or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of directors.

ADDITIONAL INFORMATION

Financial information about Kovo is provided in our consolidated financial statements and MD&A, which are available on SEDAR+ at www.sedarplus.ca and on the Corporation's website at www.kovoplus.com. You may access other information about our Corporation, including our continuous disclosure materials, reports, statements and other information filed with the Canadian securities regulatory authorities through SEDAR+.

You may also obtain a copy of the above-mentioned documents by contacting the Corporation as follows:

- > Kovo+ Holdings Inc.
- > 1600 - 925 West Georgia Street
- > Vancouver, BC, V6C 3L2
- > 1-866-558-6777
- > www.kovoplus.com/investors

SCHEDULE “A”

AUDIT COMMITTEE CHARTER

1. Objectives

The Audit Committee (the “**Committee**”) is appointed by the board of directors (the “**Board**”) of Kovo+ Holdings Inc. (the “**Corporation**”) to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting issues and issues relating to the appointment and review of the auditor for the Corporation.

The Committee acknowledges the corporate governance guidelines issued by the Canadian Securities Administrators in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**”), and other regulatory provisions as they pertain to financial reporting and accounting matters. The objective of the Committee is to review, monitor and promote appropriate accounting practices of the Corporation.

The Audit Committee is responsible for assisting the in general oversight and monitoring of:

- the integrity of the Corporation’s consolidated financial statements;
- the Corporation’s compliance with applicable legal and regulatory requirements related to financial reporting;
- the qualifications, independence and performance of the Corporation’s auditor;
- the design and implementation of accounting systems, internal controls and disclosure controls, including the Corporation’s written disclosure policy, if any;
- the review and identification of the principal risks facing the Corporation and development of appropriate procedures to monitor and mitigate such risks; and
- any additional matters delegated to the Committee by the Board.

The Committee’s oversight role regarding compliance systems shall not include responsibility for the Corporation’s actual compliance with applicable laws and regulations.

The Committee will continuously review and modify this Charter with regards to, and to reflect changes in, the business environment, industry standards on matters of financial reporting and accounting, additional standards which the Committee believes may be applicable to the Corporation’s business, the location of the Corporation’s business and its Shareholders and the application of laws and policies.

2. Composition

The Committee will be comprised of not less than three directors, selected by the Board on recommendation of the Compensation and Corporate Governance Committee. Unless otherwise permitted by applicable law, each member of the Committee will be both “independent” and “financially literate” within the meaning of applicable securities laws including, without limitation, National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). The members of the Committee shall be appointed or re-appointed by the Board on an annual basis and shall continue as members of the Committee until their successors are appointed or until they cease to be directors of the Corporation. Any member may be removed and replaced at any time by the Board and will automatically cease to be a member as soon as the member ceases to meet the qualifications set out above. The Board will fill vacancies on the Committee by

appointment from among qualified members of the Board. If a vacancy exists on the Committee, the remaining members will exercise all of its powers so long as a quorum remains in office.

Each year, the Board will appoint one member who is qualified for such purpose to be Chairman of the Committee. If, in any year, the Board does not appoint a Chairman of the Committee, the incumbent Chairman of the Committee will continue in office until a successor is appointed.

3. Meetings and Minutes

(a) Scheduling

The Committee will meet as often as it determines is necessary to fulfill its responsibilities, which in any event will be not less than quarterly. A meeting of the Committee may be called by the auditor, the Chairman of the Committee, the Chairman, the Chief Executive Officer, the Chief Financial Officer or any Committee member. Meetings will be held at a location in Canada determined by the Chairman of the Committee and notice shall be given in accordance with the provisions of the Corporation's bylaws.

(b) Notice to Auditor

The auditor is entitled to receive notice of every meeting of the Committee and, at the expense of the Corporation, to attend and be heard thereat and, if so requested by a member of the Committee, shall attend any meeting of the Committee held during the term of office of the auditor.

(c) Agenda

The Chairman of the Committee will establish the agenda for each meeting. Any member may propose the inclusion of items on the agenda, request the presence of or a report by any member of senior management, or at any meeting raise subjects that are not on the agenda for the meeting.

(d) Distribution of Information

The Chairman of the Committee will distribute, or cause the officers of the Corporation to distribute, an agenda and meeting materials in advance of each meeting to allow members sufficient time to review and consider the matters to be discussed.

(e) Attendance and Participation

Each member is expected to attend all meetings. A member who is unable to attend a meeting in person may participate by telephone or teleconference. A portion of each meeting will be held without management (including management directors) being present.

(f) Quorum

Two members will constitute a quorum for any meeting of the Committee.

(g) Voting and Approval

At meetings of the Committee, each member will be entitled to one vote and questions will be decided by a majority of votes. In case of an equality of votes, the Chairman of the Committee will not have a second or casting vote in addition to his or her original vote.

(h) Procedures

Procedures for Committee meetings will be determined by the Chairman of the Committee or a resolution of the Committee or the Board.

(i) Transaction of Business

The powers of the Committee may be exercised at a meeting where a quorum is present in person or by telephone or other electronic means, or by resolution in writing signed by all members entitled to vote on that resolution at a meeting of the Committee.

(j) Absence of Chairman of the Committee

In the absence of the Chairman of the Committee at a meeting of the Committee, the members in attendance must select one of them to act as chairman of that meeting.

(k) Secretary

The Committee may appoint one of its members or any other person to act as secretary.

(l) Minutes of Meetings

A person designated by the Chairman of the Committee at each meeting will keep minutes of the proceedings of the Committee and the Chairman will cause an officer of the Corporation to circulate copies of the minutes to each member on a timely basis.

4. Scope, Duties and Responsibilities

The Committee is responsible for performing the duties set out below as well as any other duties at any time required by law to be performed by the Committee or otherwise delegated to the Committee by the Board:

(a) Appointment and Review of the Auditor

The auditor is ultimately accountable to the Committee and reports directly to the Committee. Accordingly, the Committee will evaluate and be responsible for the Corporation's relationship with the auditor. Specifically, the Committee will:

- select, evaluate and recommend an auditor to the Board for appointment or reappointment, as the case may be, by the Corporation's shareholders and make recommendations with respect to the auditor's compensation;
- review and approve the auditor's engagement letter;
- resolve any disagreements between senior management and the auditor regarding financial reporting;
- at least annually, obtain and review a report by the auditor describing:
 - the auditor's internal quality-control procedures, including the safeguarding of confidential information;
 - any material issues raised by such procedures, or the review of the auditor by an independent oversight body, such as the Canadian Public Accountability Board, respecting independent audits carried out by the auditor, and the steps taken to deal with any issues raised in any such review;
- meet with senior management not less than quarterly without the auditor present for the purpose of discussing, among other things, the performance of the auditor and any issues that may have arisen during the quarter; and

- where appropriate, recommend to the Board that the auditor be terminated.

(b) Confirmation of the Auditor's Independence

At least annually, and in any event before the auditor issues its report on the annual financial statements, the Committee will:

- review a formal written statement from the auditor describing all of its relationships with the Corporation;
- discuss the auditor any relationships or services that may affect its objectivity and independence (including considering whether the auditor's provision of any permitted non-audit services is compatible with maintaining its independence);
- obtain written confirmation from the auditor that it is objective within the meaning of the Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of Chartered Accountants to which it belongs and is an independent public accountant within the meaning of the Independence Standards of the Canadian Institute of Chartered Accountants; and
- confirm that the auditor has complied with applicable rules, if any, with respect to the rotation of certain members of the audit engagement team.

(c) Pre-Approval of Non-Audit Services

The approval of the appointment of the auditor for any non-audit service to be provided to the Corporation must be obtained from the Committee in advance; provided that it will not approve any service that is prohibited under the rules of the Canadian Public Accountability Board or the Independence Standards of the Canadian Institute of Chartered Accountants. Before the appointment of the auditor for any non-audit service, the Committee will consider the compatibility of the service with the auditor's independence. The Committee may pre-approve the appointment of the auditor for any non-audit services by adopting specific policies and procedures, from time to time, for the engagement of the auditor for non-audit services.

(d) Communications with the Auditor

The Committee has the authority to communicate directly with the auditor and will meet privately with the auditor periodically to discuss any items of concern to the Committee or the auditor.

(e) Review of the Audit Plan

The Committee will discuss with the auditor the nature of an audit and the responsibility assumed by the auditor when conducting an audit under generally accepted auditing standards. The Committee will review a summary of the auditor's audit plan for each audit and approve the audit plan with such amendments as it may agree with the auditor.

(f) Review of Audit Fees

The Committee will review and determine the auditor's fee and the terms of the auditor's engagement and inform the Board thereof. In determining the auditor's fee, the Committee will consider, among other things, the number and nature of reports to be issued by the auditor, the quality of the internal controls of the Corporation, the size, complexity and financial condition of the Corporation and its subsidiaries and the extent of support to be provided to the auditor by the Corporation.

(g) Review of Consolidated Financial Statements

The Committee will review and discuss with senior management and the auditor the annual audited consolidated financial statements, together with the auditor's report thereon and the interim financial statements, before recommending them for approval by the Board. The Committee will also review and discuss with senior management and the auditor management's discussion and analysis relating to the annual audited financial statements and interim financial statements, where applicable. The Committee may also, if it so elects, engage the auditor to review the interim financial statements prior to the Committee's review of such financial statements.

(h) Review of Other Financial Information

The Committee will review:

- all earnings press releases and other press releases disclosing financial information, as well as all financial information and written earnings guidance provided to analysts and rating agencies;
- all other financial statements of the Corporation that require approval by the Board before they are released to the public, including, without limitation, financial statements for use in prospectuses or other offering or public disclosure documents and financial statements required by regulatory authorities; and
- disclosures made to the Committee by the Chief Executive Officer and Chief Financial Officer during their certification process for applicable securities law filings by the Corporation (where applicable) about any significant deficiencies and material weaknesses in the design or operation of the Corporation's internal controls over financial reporting which are reasonably likely to adversely affect the Corporation's ability to record, process, summarize and report financial information, and any fraud involving senior management or other employees who have a significant role in the Corporation's internal control over financial reporting.

(i) Oversight of Internal Controls and Disclosure Controls

The Committee will review periodically with senior management of the Corporation the adequacy of the internal controls and procedures that have been adopted by the Corporation and its subsidiaries to safeguard assets from loss and unauthorized use and to verify the accuracy of the financial records. The Committee will review any special audit steps adopted in light of material control deficiencies or identified weaknesses. The Committee will review with senior management of the Corporation the controls and procedures that have been adopted by the Corporation to confirm that material information about the Corporation and its subsidiaries that is required to be disclosed under applicable law or stock exchange rules is disclosed.

(j) Legal Compliance

The Committee will review any legal matters that could have a significant effect on the Corporation's financial statements.

(k) Risk Management

The Committee will oversee the Corporation's risk management function and, on a quarterly basis, will review a report from senior management describing the major financial, legal, operational and reputational risk exposures of the Corporation and the steps senior management has taken to monitor and control such exposures.

(l) Taxation Matters

The Committee will review with senior management the status of taxation matters of the Corporation.

(m) Employees of the Auditor

The Committee will review and approve policies for the hiring by the Corporation of any partners and employees and former partners and former employees of the present or former auditor.

(n) Evaluation of Financial and Accounting Personnel

The Committee will have direct responsibility to:

- develop a position description for the Chief Financial Officer, setting out the Chief Financial Officer's authority and responsibilities, and present it to the Board for approval;
- review and approve the goals and objectives that are relevant to the Chief Financial Officer's compensation and present the same to the Board for approval;
- evaluate the Chief Financial Officer's performance in meeting his or her goals and objectives;
- review and assess the performance of the Corporation's financial and accounting personnel; and
- recommend to the Board remedial action, where necessary.

(o) Signing Authority and Approval of Expenses

The Committee will determine the signing authority of officers and directors in connection with the expenditure and release of funds. The Committee will also review the Chief Executive Officer's and Chief Financial Officer's expense statements. Director expense statements will be reviewed by the Chief Executive Officer. Where the Chief Executive Officer thinks it advisable, he or she may request that the Committee review director expense statements.

5. Complaints Procedure

The Committee will administer the Corporation's Whistleblower Policy for the receipt, retention and follow-up of complaints received by the Corporation regarding accounting, internal controls, disclosure controls or auditing matters and the confidential, anonymous submission of concerns by employees of the Corporation regarding such matters.

6. Reporting

The Committee will regularly report to the Board on:

- the auditor's independence, engagement and fees;
- the performance of the auditor and the Committee's recommendations regarding its reappointment or termination;
- the adequacy of the Corporation's internal controls and disclosure controls;
- the Corporation's risk management procedures;
- its recommendations regarding the annual and interim financial statements of the Corporation, including any issues with respect to the quality or integrity of the financial statements;
- its review of any applicable annual and interim management's discussion and analysis;
- any complaints made under, and the effectiveness of, the Corporation's Whistleblower Policy;

- the Corporation's compliance with applicable legal and regulatory requirements related to financial reporting; and
- all other significant matters it has addressed or reviewed and with respect to such other matters that are within its responsibilities, together with any associated recommendations.

7. Assessment

At least annually, the Board and Corporate Governance Committee will review the effectiveness of the Committee in fulfilling its responsibilities and duties as set out in this Charter and in a manner consistent with the mandate adopted by the Board.

8. Review and Disclosure

The Committee will review this Charter at least annually and submit it to the Board and Corporate Governance Committee together with any proposed amendments. The Board and Corporate Governance Committee will review the Charter and make approvals with such further proposed amendments as it deems necessary and appropriate.

9. Access to Outside Advisors and Records

The Committee may retain independent counsel and any outside advisor at any time and has the authority to determine any such advisors' fees and other retention terms. The Committee, and any outside advisors retained by it, will have access to all records and information, relating to the Corporation and all their respective officers, employees and agents which it deems relevant to the performance of its duties.

SCHEDULE “B”

OMNIBUS EQUITY INCENTIVE PLAN

Kovo+ Holdings Inc. (the “**Company**”) hereby establishes an Omnibus Equity Incentive Plan (“**Plan**”) for certain Eligible Participants providing ongoing services to the Company and its Affiliates that can have a significant impact on the Company’s long-term results.

ARTICLE 1: DEFINITIONS

1.1 Definitions

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings:

- (a) “**ABCA**” means the *Business Corporations Act* (Alberta), as such may be amended, supplemented or replaced from time to time;
- (b) “**Affiliate**” means: a company is an Affiliate of another company if: (i) one of them is the subsidiary of the other; or (ii) each of them is controlled by the same Person.

A company is “controlled” by a Person if: (i) voting shares of the company are held, other than by way of security only, by or for the benefit of that Person; and (ii) the voting rights attached to those voting shares are entitled, if exercised, to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by: (i) a company controlled by that Person; or (ii) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

- (c) “**Award**” means any Option, Deferred Share Unit, Performance Share Unit, Restricted Share Unit or Other Share-Based Award granted to a Participant pursuant to the terms of this Plan;
- (d) “**Award Agreement**” means a signed, written agreement between a Participant and the Company, in the form or any one of the forms approved by the Board, and evidencing the terms and conditions on which an Award has been granted under this Plan (including an Option Agreement, DSU Agreement, PSU Agreement, RSU Agreement, or an Employment Agreement, as the context requires) and which need not be identical to any other such agreements;
- (e) “**Black-Out Period**” means the period of time required by applicable law and in compliance with TSXV Policy 4.4, if applicable, during which the Company prohibits a Participant from trading in the securities of the Company or from exercising, redeeming or settling an Award;
- (f) “**Board**” means the board of directors of the Company as constituted from time to time;
- (g) “**Broker**” has the meaning ascribed thereto in 9.3(b);
- (h) “**Business Day**” means a day other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Calgary, Alberta for the transaction of banking business;
- (i) “**Cash Fees**” has the meaning ascribed thereto in Section 4.2.1;
- (j) “**Cause**” means:

- (i) with respect to a particular Employee: (1) “cause” as such term is defined in the Employment Agreement or other written agreement between the Company or a Subsidiary and the Employee; (2) in the event there is no written or other applicable Employment Agreement between the Company or a Subsidiary and the Employee or “cause” is not defined in such agreement, “cause” as such term is defined in the Award Agreement; or (3) in the event neither clause (1) nor (2) apply, then “cause” as such term is defined by applicable law or, if not so defined, then (A) with respect to an Award of an Employee that is not employed in the U.S., such term shall refer to circumstances where an employer can terminate an individual’s employment without notice or pay in lieu thereof; and (B) with respect to an Award of an Employee that is employed in the U.S. (i) any breach of any written agreement between the Company and Employee; (ii) any failure to perform assigned job responsibilities in a competent and diligent manner that continues unremedied for a period of thirty (30) days after written notice to the Employee by the Company and the Employee shall only be entitled to such notice once per calendar year; (iii) the commission of a felony or misdemeanor or failure to contest prosecution for a felony or misdemeanor; (iv) the Company’s reasonable belief that the Employee engaged in a violation of any statute, rule or regulation, any of which in the judgment of the employer Company or Subsidiary, as the case may be, is harmful to the Company’s business or reputation; or (v) the Company’s reasonable belief that the Employee engaged in unethical practices, dishonesty or disloyalty;
 - (ii) in the case of a Consultant: (1) the occurrence of any event which, under the written consulting contract with the Consultant or the common law or the laws of the jurisdiction in which the Consultant provides services, gives the Company or any of its Affiliates the right to immediately terminate the consulting contract; or (2) the termination of the consulting contract as a result of an order made by any Regulatory Authority having jurisdiction to so order;
 - (iii) in the case of a Director, ceasing to be a Director as a result of: (1) ceasing to be qualified to act as a Director pursuant to section 118(1) of the ABCA; (2) a resolution having been passed by the shareholders pursuant to sections 122(1) or 122(2) of the ABCA; or (3) an order made by any Regulatory Authority having jurisdiction to so order; or
 - (iv) in the case of an Officer: (1) “*cause*” as such term is defined in the Employment Agreement with the Officer or if there is no written Employment Agreement or “*cause*” is not defined therein, the usual meaning of “*just cause*” under the common law or the laws of the jurisdiction in which the Officer provides services; or (2) ceasing to be an Officer as a result of an order made by any Regulatory Authority having jurisdiction to so order;
- (k) “**Change of Control**” means:
- (i) “*change of control*” as such term is defined in the Employment Agreement or other written agreement between the Company or a Subsidiary and the Employee; or
 - (ii) in all other events, unless the Board determines otherwise, the happening, in a single transaction or in a series of related transactions, of any of the following events:
 - (A) any transaction (other than a transaction described in clause (B) below) pursuant to which any Person or group of Persons acting jointly or in concert acquires the direct or indirect beneficial ownership of securities of the Company representing 50% or more of the aggregate voting power of all of the Company’s then issued and outstanding securities entitled to vote in the election of directors of the Company, other than any such acquisition that occurs (1) upon the exercise or settlement of Options or other securities granted by the Company under any of the Company’s equity incentive plans; or (2) as a result of the conversion of the multiple voting shares in the capital of the Company into Shares;

- (B) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Company immediately prior thereto do not beneficially own, directly or indirectly, either (1) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such amalgamation, merger, consolidation or similar transaction, or (2) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such arrangement, amalgamation merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Company immediately prior to such transaction;
 - (C) the sale, lease, exchange, license or other disposition of all or substantially all of the Company's assets to a Person other than a Person that was an Affiliate of the Company at the time of such sale, lease, exchange, license or other disposition, other than a sale, lease, exchange, license or other disposition to an entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are beneficially owned by shareholders of the Company in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, exchange, license or other disposition;
 - (D) the passing of a resolution by the Board or shareholders of the Company to substantially liquidate the assets of the Company or wind up the Company's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a *bona fide* reorganization of the Company in circumstances where the business of the Company is continued and the shareholdings remain substantially the same following the re-arrangement); or
 - (E) individuals who, on the effective date, are members of the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the members of the Board; *provided, however*, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member shall, for purposes of this Plan, be considered as a member of the Incumbent Board;
- (l) "**Code**" means the U.S. Internal Revenue Code of 1986, as amended from time to time and the Treasury Regulations promulgated thereunder;
 - (m) "**Company**" means Kovo+ Holdings Inc., a corporation existing under the ABCA;
 - (n) "**company**" unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;
 - (o) "**Consultant**" means, in relation to the Company, a Person (other than a Director, Officer or Employee of the Company or any of its Subsidiaries) that: (i) is engaged to provide on an ongoing *bona fide* basis, consulting, technical management or other services to the Company or a Subsidiary, other than services provided in relation to a Distribution (as defined in the *Securities Act* (Alberta)); (ii) provides the services under a written contract between the Company or a Subsidiary and the Person; and (iii) in the reasonable opinion of the Company, spends or shall spend a significant amount of time and attention on the affairs and business of the Company or a Subsidiary;

- (p) “**Consultant Company**” means a Consultant that is a company;
- (q) “**Date of Grant**” means, for any Award, the current date or future date specified by the Board at the time it grants the Award or, if no such date is specified, the date upon which the Award was granted;
- (r) “**Deferred Share Unit**” or “**DSU**” means any right granted under Section 4.2 of this Plan;
- (s) “**Director**” means a director of the Company;
- (t) “**Director’s Fees**” means the total compensation (including annual retainer and meeting fees, if any) paid by the Company to a Non-Employee Director in a calendar year for service on the Board;
- (u) “**Discounted Market Price**” has the meaning given to such term in TSXV Policy 1.1, as amended, supplemented or replaced from time to time;
- (v) “**DSU Agreement**” means a written notice from the Company to a Participant evidencing the grant of DSUs and the terms and conditions thereof, substantially in the form attached hereto as Appendix “B”, or such other form as the Board may approve from time to time;
- (w) “**Elected Amount**” has the meaning ascribed thereto in Section 4.2.1;
- (x) “**Election Notice**” means a written notice from a Non-Employee Director to the Company, substantially in the form of Appendix “E” attached hereto, or such other form as the Board may approve and accept from time to time;
- (y) “**Eligible Participants**” has the meaning ascribed thereto in Section 2.4(a);
- (z) “**Employee**” means (i) an individual who is considered an employee of the Company or a Subsidiary under the Tax Act and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source; (ii) an individual who works full-time for the Company or a Subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company or a Subsidiary over the details and methods of work as an employee of the Company or of a Subsidiary, as the case may be, but for whom income tax deductions are not made at source; or (iii) an individual who works for the Company or a Subsidiary on a continuing and regular basis for a minimum amount of time per week, providing services normally provided by an employee and who is subject to the same control and direction by the Company or a Subsidiary over the details and methods of work as an employee of the Company or a Subsidiary, as the case may be, but for whom income tax deductions are not made at source;
- (aa) “**Employment Agreement**” means, with respect to any Participant, any written employment agreement between the Company or a Subsidiary and such Participant;
- (bb) “**Exercise Notice**” means a notice in writing signed by a Participant and stating the Participant’s intention to exercise a particular Award;
- (cc) “**Exercise Price**” has the meaning ascribed thereto in Section 3.2(a);
- (dd) “**Expiry Date**” has the meaning ascribed thereto in Section 3.4;
- (ee) “**Fair Market Value**” with respect to one Share as of any date shall mean (i) if the Shares are listed on the Stock Exchange, the price of one Share at the close of the regular trading session of such market or exchange on the last Trading Day prior to such date, and if no sale of Shares shall have occurred on such date, on the next preceding date on which there was a sale of Shares (subject to such price not being less than the Discounted Market Price (as defined in the policies of the Stock Exchange)); (ii) if the Shares are not so listed

- on an established stock exchange, the average of the closing “bid” and “asked” prices quoted by the OTC Markets, the National Quotation Bureau, or any comparable reporting service on such date or, if there are no quoted “bid” and “asked” prices on such date, on the next preceding date for which there are such quotes for a Share; or (iii) if the Shares are not publicly traded as of such date, the per Share value of one Share, as determined by the Board, or any duly authorized committee of the Board, in its sole discretion, by applying principles of valuation with respect thereto, and with respect to Options awarded to U.S. Taxpayers, such valuation principles shall be in accordance with U.S. Treasury Regulation Section 1.409A-1(b)(5)(iv)(B)(1);
- (ff) “**Insider**” has the meaning ascribed thereto in the *Securities Act* (Alberta);
- (gg) “**Investor Relations Activities**” has the meaning given to such term in TSXV Policy 1.1, as amended, supplemented or replaced from time to time;
- (hh) “**ISO**” has the meaning ascribed thereto in Section 7.1;
- (ii) “**Management Company Employee**” means an individual employed by a company providing management services to the Company, which services are required for the ongoing successful operation of the business enterprise of the Company;
- (jj) “**Market Price**” at any date in respect of the Shares and Awards of the Company determined as follows: (i) if the Shares are then listed on the Stock Exchange, then the Market Price shall be the volume weighted average trading price on the Stock Exchange for the ten (10) Trading Days immediately preceding such date (subject to such price not being less than the Discounted Market Price as defined in the policies of the Stock Exchange); and (ii) if the Shares are not listed on the Stock Exchange, then the Market Price shall be, subject to the necessary approvals of the applicable Regulatory Authorities, the Fair Market Value of the Shares on such date as determined by the Board in its discretion;
- (kk) “**Non-Employee Directors**” means members of the Board who, at the time of execution of an Award Agreement, if applicable, and at all times thereafter while they continue to serve as a member of the Board, are not Officers or other Employees of the Company or a Subsidiary, or Consultants or other service providers providing ongoing services to the Company or a Subsidiary;
- (ll) “**Officer**” means an officer (as defined under Securities Laws) of the Company or a Subsidiary;
- (mm) “**Option**” means an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Exercise Price for a specified period of time, but subject to the provisions of this Plan;
- (nn) “**Option Agreement**” means a written notice from the Company to a Participant evidencing the grant of Options and the terms and conditions thereof, substantially in the form set out in Appendix “A”, or such other form as the Board may approve from time to time;
- (oo) “**Option Shares**” means Shares issuable by the Company upon the exercise of outstanding Options;
- (pp) “**Other Share-Based Award**” means any right or unit that is not an Option or a Share Unit and that is granted under Section 4.5;
- (qq) “**Participant’s Account**” means an account maintained for the Participant on the books of the Company to reflect such Participant’s participation in Share Units or Other Share-Based Awards under this Plan;
- (rr) “**Participants**” means Eligible Participants that are granted Awards under this Plan;

- (ss) “**Performance Goals**” means performance goals established by the Board in its discretion which, without limitation, may be expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Company, a Subsidiary, a division of the Company or a Subsidiary, or an individual, or may be applied to the performance of the Company or a Subsidiary relative to a market index, a group of other companies or a combination thereof, or on any other basis, and that may be used to determine the vesting of Awards, when applicable;
- (tt) “**Performance Share Unit**” or “**PSU**” means any right awarded to a Participant under Section 4.4 of this Plan;
- (uu) “**Person**” means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body, and pronouns which refer to a Person shall have a similarly extended meaning;
- (vv) “**Plan**” means this Omnibus Equity Incentive Plan, as amended and restated from time to time;
- (ww) “**Predecessor Compensation Securities**” has the meaning ascribed thereto in Section 2.5(b);
- (xx) “**Predecessor Omnibus Plan**” means the Company’s 2020 Omnibus Equity Incentive Plan, as amended;
- (yy) “**PSU Agreement**” means a written notice from the Company to a Participant evidencing the grant of PSUs and the terms and conditions thereof, substantially in the form of Appendix “D”, or such other form as the Board may approve from time to time;
- (zz) “**Regulatory Authorities**” means all Stock Exchanges, inter-dealer quotation networks and other organized trading facilities on which the Shares are listed and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company;
- (aaa) “**Restricted Share Units**” or “**RSU**” means any right awarded to a Participant under Section 4.3 of this Plan;
- (bbb) “**RSU Agreement**” means a written notice from the Company to a Participant evidencing the grant of RSUs and the terms and conditions thereof, substantially in the form of Appendix “C”, or such other form as the Board may approve from time to time;
- (ccc) “**Scheduled Payment Date**” has the meaning ascribed thereto in Section 7.8(d);
- (ddd) “**Securities Laws**” means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that govern or are applicable to the Company or to which it is subject;
- (eee) “**Security Based Compensation Arrangement**” means an Option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to Directors, Officers, Employees, Consultants, Management Company Employees and/or other service providers of the Company or a Subsidiary. For greater certainty, a “*Security Based Compensation Arrangement*” does not include a security-based compensation arrangement used as an inducement to Person(s) not previously employed by and not previously an Insider of the Company;
- (fff) “**Separation from Service**” has the meaning ascribed to it under Section 409A of the Code;
- (ggg) “**Shares**” means the common shares in the capital of the Company;

- (hhh) “**Share Unit**” means a DSU, PSU or RSU, as the context requires;
- (iii) “**Stock Exchange**” means the TSXV, the TSX, or any other exchange on which the Shares are or may be listed, as applicable from time to time;
- (jjj) “**Subsidiary**” means a corporation, company, partnership or other body corporate that is controlled, directly or indirectly, by the Company;
- (kkk) “**Successor Corporation**” has the meaning ascribed thereto in Section 6.1(c) hereof;
- (lll) “**Surrender**” has the meaning ascribed thereto in Section 3.6(a);
- (mmm) “**Surrender Notice**” has the meaning ascribed thereto in Section 3.6(a);
- (nnn) “**Tax Act**” means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;
- (ooo) “**Termination Date**” means the date on which a Participant ceases to be an Eligible Participant;
- (ppp) “**Trading Day**” means any day on which the Stock Exchange is open for trading;
- (qqq) “**TSX**” means the Toronto Stock Exchange;
- (rrr) “**TSXV**” means the TSX Venture Exchange;
- (sss) “**TSXV Policy**” means the TSXV Corporate Finance Policies;
- (ttt) “**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;
- (uuu) “**U.S. Securities Act**” means the *U.S. Securities Act* of 1933, as amended;
- (vvv) “**U.S. Taxpayer**” means a Participant who, with respect to an Award, is subject to taxation under the applicable U.S. tax laws; and
- (www) “**VWAP**” means the volume weighted average trading price of the Shares on the Stock Exchange calculated by dividing the total value by the total volume of such securities traded for the five (5) Trading Days immediately preceding the exercise of the subject Option. Where appropriate, the Stock Exchange may exclude internal crosses and certain other special terms trades from the calculation.

1.2 Certain Rules of Interpretation

In this Plan:

- (a) Gender and Number: Words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine gender.
- (b) Currency: Unless otherwise specified, all dollar amounts in this Plan, including the symbol “\$”, are expressed in Canadian dollars.
- (c) Subdivisions and Headings: The division of this Plan into Articles, Sections, Schedules and other subdivisions and the inclusion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan. The headings in this Plan are not intended to be full or precise descriptions of the text to which they refer. Unless something in the subject matter or context is inconsistent

therewith, references herein to an Article, Section, Subsection, paragraph, clause or Schedule are to the applicable article, section, subsection, paragraph, clause or schedule of this Plan.

- (d) References to this Plan, etc.: The words “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Plan as a whole and not to any particular section or portion of it.
- (e) Discretion: Whenever the Board exercises discretion in the administration of this Plan, the term “discretion” means the sole and absolute discretion of the Board.
- (f) Time Periods: Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.

ARTICLE 2: PURPOSE AND ADMINISTRATION; GRANTING OF AWARDS

2.1 Purpose of the Plan

The purpose of this Plan is to advance the interests of the Company by: (i) providing Eligible Participants with additional incentives; (ii) encouraging stock ownership by such Eligible Participants; (iii) increasing the proprietary interest of Eligible Participants in the success of the Company; (iv) promoting growth and profitability of the Company; (v) encouraging Eligible Participants to take into account long-term corporate performance; (vi) rewarding Eligible Participants for sustained contributions to the Company and/or significant performance achievements of the Company; and (vii) enhancing the Company’s ability to attract, retain and motivate Eligible Participants.

2.2 Implementation and Administration of the Plan

- (a) Subject to Section 2.3, this Plan shall be administered by the Board.
- (b) Subject to the terms and conditions set forth in this Plan, the Board is authorized to provide for the granting, exercise and method of exercise of Awards, all at such times and on such terms (which may vary between Awards granted from time to time) as it determines. In addition, the Board has the authority to (i) construe and interpret this Plan and all certificates, agreements or other documents provided or entered into under this Plan; (ii) prescribe, amend and rescind rules and regulations relating to this Plan; and (iii) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board shall be binding on all Participants and on their legal, personal representatives and beneficiaries. Notwithstanding the foregoing, the grant of any Other Share-Based Awards shall be subject to Stock Exchange and shareholder approval, as applicable.
- (c) No member of the Board shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of this Plan, any Award Agreement or other document or any Awards granted pursuant to this Plan.
- (d) The day-to-day administration of this Plan may be delegated to such committee of the Board and/or such Officers and Employees of the Company as the Board determines from time to time.
- (e) Subject to the provisions of this Plan, the Board has the authority to determine the limitations, restrictions and conditions, if any, applicable to the exercise of an Award.

2.3 Delegation to Committee

Despite Section 2.2 or any other provision contained in this Plan, the Board has the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board and/or to any member of the Board. In such circumstances, all references to the Board in this Plan include reference to such committee and/or member of the Board, as applicable.

2.4 Eligible Participants

- (a) The Persons who shall be eligible to receive Awards (“**Eligible Participants**”) shall be the *bona fide* Directors, Officers, Consultants, Management Company Employees and other Employees of the Company or a Subsidiary, providing ongoing services to the Company and its Affiliates. Notwithstanding the foregoing, at all times when the Company is listed on the TSXV, providers of Investor Relations Activities shall not be included as Eligible Participants entitled to receive DSUs, PSUs or RSUs. Eligibility to participate does not confer upon any Participant any right to receive any grant of an Award pursuant to this Plan. At all times when the Company is listed on the TSXV, the Company and the Eligible Participant are responsible for ensuring and confirming that the Eligible Participant.
- (b) Only Non-Employee Directors are eligible to receive DSUs.
- (c) Participation in this Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant’s employment, appointment or engagement with the Company.
- (d) Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to this Plan shall in no way be construed as a guarantee of employment, appointment or engagement by the Company.

2.5 Shares Subject to the Plan

- (a) Subject to adjustment pursuant to provisions of Article 6 hereof, the total number of Shares reserved and available for grant and issuance pursuant to Options under this Plan, together with the Shares issuable on the exercise of all Predecessor Options, shall not exceed ten percent (10%) of the total issued and outstanding Shares at the Date of Grant or issuance of any security based compensation or such other number as may be approved by the Stock Exchange and the shareholders of the Company from time to time, provided that at all times when the Company is listed on the TSXV, the shareholder approval referred to herein must be obtained in compliance with the applicable policies of the TSXV.
- (b) Subject to compliance with the policies of the Stock Exchange, all outstanding Options, Share Units and Other Share-Based Awards granted under the Predecessor Omnibus Plan (the “**Predecessor Compensation Securities**”) shall continue to be outstanding as Awards granted under and subject to the terms of this Plan, provided however, that all Predecessor Compensation Securities remain in force in accordance with their existing terms.
- (c) Shares in respect of which an Award is granted under this Plan, but not exercised prior to the termination of such Award or not vested or settled prior to the termination of such Award due to the expiration, termination, cancellation or lapse of such Award, shall be available for Awards to be granted thereafter pursuant to the provisions of this Plan.
- (d) All Shares issued pursuant to the exercise or vesting of an Award granted under this Plan shall be issued as fully paid and non-assessable Shares.

2.6 Participation Limits

Subject to adjustment pursuant to provisions of Article 6 hereof, the aggregate number of Shares (i) issued to Insiders under this Plan or any other proposed or established Security-Based Compensation Arrangement within any one-year period, and (ii) issuable to Insiders at any time under this Plan or any other proposed or established Security Based Compensation Arrangement, shall in each case not exceed ten percent (10%) of the total issued and outstanding Shares at any point in time. Any Awards granted pursuant to this Plan, prior to the Participant becoming an Insider, shall not be excluded for the purposes of the limits set out in this Section 2.6.

2.7 Additional TSXV Limits

- (a) In addition to the requirements in Section 2.5 and Section 2.6, and notwithstanding any other provision of this Plan, at all times when the Company is listed on the TSXV:
- (i) the total number of Shares which may be reserved for issuance to any one Eligible Participant under this Plan together with all of the Company's other previously established or proposed Security Based Compensation Arrangements shall not exceed 5% of the issued and outstanding Shares on the grant date or within any 12-month period (in each case on a non-diluted basis);
 - (ii) the aggregate number of Awards to any one Eligible Participant that is a Consultant of the Company under this Plan together with all of the Company's other previously established or proposed Security Based Compensation Arrangements in any 12-month period must not exceed 2% of the issued Shares calculated at the date an Award is granted;
 - (iii) the aggregate number of Options to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued Shares in any 12-month period calculated at the date an Option is granted (and including any Eligible Participant that performs Investor Relations Activities and/or whose role or duties primarily consist of Investor Relations Activities);
 - (iv) Options granted to any Person retained to provide Investor Relations Activities must vest in a period of not less than 12 months from the Date of Grant of the Award and with no more than 25% of the Options vesting in any three (3) month period notwithstanding any other provision of this Plan; and
 - (v) if the Recipient of an Award is a company, excluding Participants that are Consultant Companies, then such Recipient must provide the TSXV with a completed Certification and Undertaking Required from a Company Granted Security Based Compensation in the form of Schedule "A" to Form 4G – *Summary Form – Security Based Compensation*.
- (b) At all times when the Company is listed on the TSXV, the Company shall seek annual TSXV and shareholder approval for this rolling Plan in conformity with TSXV Policy 4.4.

2.8 Additional Board Requirements

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

qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Company in complying with such legislation, rules, regulations and policies.

2.9 Award Agreements

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

ARTICLE 3: OPTIONS

3.1 Nature of Options

An Option is an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Exercise Price, subject to the provisions hereof.

3.2 Option Awards

- (a) The Board shall, from time to time, in its sole discretion, (i) designate the Eligible Participants who may receive Options under this Plan, (ii) determine the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted, (iii) determine the price per Share to be payable upon the exercise of each such Option (the “**Exercise Price**”), (iv) determine the relevant vesting provisions (including Performance Goals, if applicable); and (v) determine the Expiry Date, the whole subject to the terms and conditions prescribed in this Plan, in any Option Agreement and any applicable rules of the Stock Exchange.
- (b) Notwithstanding any other provision of this Plan, at all times when the Company is listed on the TSXV, the Company shall maintain timely disclosure and file appropriate documentation in connection with Option grants made under this Plan in accordance with TSXV Policy 4.4.

3.3 Exercise Price

The Exercise Price for Shares that are the subject of any Option shall be fixed by the Board when such Option is granted, but shall not be less than the Market Price of such Shares at the time of the grant, except that at all times when the Company is listed on the TSXV, the Exercise Price shall not be less than the Discounted Market Price.

3.4 Expiry Date; Blackout Period

Subject to 6.2, each Option must be exercised no later than ten (10) years after the date the Option is granted or such shorter period as set out in the Participant’s Option Agreement, at which time such Option shall expire (the “**Expiry Date**”). Notwithstanding any other provision of this Plan, each Option that would expire during or within ten (10) Business Days immediately following a Black-Out Period shall expire on the date that is ten (10) Business Days immediately following the expiration of the Black-Out Period. Where an Option shall expire on a date that falls immediately after a Black-Out Period, and for greater certainty, not later than ten (10) Business Days after the Black-Out Period, then the date such Option shall expire shall be automatically extended by such number of days equal to ten (10) Business Days less the number of Business Days after the Black-Out Period that the Option expires. For a U.S. Taxpayer, however, any extension of the Expiry Date of an Option under this Section 3.4 shall apply only to the extent permitted by Section 409A of the Code. Notwithstanding the foregoing, at all times when the Company is listed on the TSXV, any extension of an Expiry Date related to a Black-Out Period must comply with the provisions set out in section 4.11 of TSXV Policy 4.4.

3.5 Exercise of Options

- (a) Subject to the provisions of this Plan, a Participant shall be entitled to exercise an Option granted to such Participant, subject to vesting limitations which may be imposed by the Board at the time such Option is granted.
- (b) Prior to its expiration or earlier termination in accordance with this Plan, each Option shall be exercisable as to all or such part or parts of the optioned Shares and at such time or times and/or pursuant to the achievement of such Performance Goals and/or other vesting conditions as the Board may determine in its sole discretion.
- (c) No fractional Shares shall be issued upon the exercise of Options granted under this Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise of an Option, or from an adjustment pursuant to Section 6.1, such Participant shall only have the right to acquire the next lowest whole number of Shares, and no payment or other adjustment shall be made with respect to the fractional interest so disregarded.

3.6 Method of Exercise and Payment of Purchase Price

- (a) Traditional Exercise: Subject to the provisions of this Plan and the alternative exercise procedures set out herein, an Option granted under this Plan may be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering an Exercise Notice to the Company in the form and manner determined by the Board from time to time, together with cash, a bank draft or certified cheque in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Options and any applicable tax withholdings.
- (b) Net Exercise: Subject to any policies of the TSXV and the receipt of the approval of the Board or a committee thereof, a Participant (other than Investor Relations Service Providers) may also complete a “net exercise” by surrendering an Option (“**Surrender**”) with a properly endorsed notice of Surrender to the Company, substantially in the form of Schedule “B” to the Option Agreement (the “**Surrender Notice**”), whereby the Participant shall not be required to deliver cash payment of the Exercise Price, and instead, elect to receive that number of Shares calculated using the following formula:

$$X = \frac{Y(A - B)}{A}$$

Where:

X = the number of Shares to be issued to the Participant upon exercising such Options;

Y = the number of Shares issuable with respect to the Options subject to the net exercise;

A = subject to the policies of the TSXV, the VWAP of the Shares on the TSXV; and

B = the Option Price of the Options subject to the net exercise.

In the event of a net exercise, the number of Options exercised, surrendered or converted, and not the number of Outstanding Securities actually issued by the Company, must be included in calculating the limits set forth in Article 3 of the Plan.

ARTICLE 4: SHARE UNITS AND OTHER SECURITY-BASED AWARDS

4.1 Nature of Share Units

A Share Unit is an Award entitling the Recipient to acquire Shares at such purchase price (which may be zero) as determined by the Board, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established Performance Goals and objectives.

4.2 Deferred Share Units

4.2.1 Granting of DSUs

- (a) The Board may fix, from time to time, a portion of the Director's Fees that is to be payable in the form of DSUs. In addition, each Electing Person may be given, subject to the conditions stated herein, the right to elect in accordance with Section 4.2.1(b) to participate in the grant of additional DSUs pursuant to this Section 4.2. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this Section 4.2 shall receive their Elected Amount (as that term is defined below) in the form of DSUs in lieu of cash. The "**Elected Amount**" shall be an amount, as elected by the Non-Employee Director, in accordance with applicable tax law, between 0% and 100% of any Director's Fees that are otherwise intended to be paid in cash (the "**Cash Fees**").
- (b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs in lieu of cash shall be required to file an Election Notice with the Chief Financial Officer of the Company: (i) in the case of an existing Electing Person, by December 31st in the year prior to the year in which the services giving rise to the compensation are performed (other than for Director's Fees payable for the applicable financial year to any Electing Person who is not a U.S. Taxpayer as of the date of this Plan, in which case such Electing Person shall file the Election Notice by the date that is 30 days from the effective date of this Plan with respect to compensation paid for services to be performed after such date); and (ii) in the case of a newly appointed Electing Person who is not a U.S. Taxpayer, within 30 days of such appointment with respect to compensation paid for services to be performed after such date. In the case of an existing Electing Person who is a U.S. Taxpayer as of the effective date of this Plan and who was not eligible to participate in the Predecessor Omnibus Plan or in any other deferred compensation plan required to be aggregated with this Plan for purposes of Code Section 409A, an initial Election Notice may be filed by the date that is 30 days from the effective date of this Plan only with respect to compensation paid for services to be performed after the Election Date; and in the case of a newly appointed Electing Person who is a U.S. Taxpayer, an Election Notice may be filed within 30 days of such appointment only with respect to compensation paid for services to be performed after the Election Date. If no election is made within the foregoing time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.
- (c) Subject to Section 4.2.1(d), the election of an Electing Person under Section 4.2.1(b) shall be deemed to apply to all Cash Fees that would be paid subsequent to the filing of the Election Notice, and such Electing Person is not required to file another Election Notice for subsequent calendar years.
- (d) Each Electing Person who is not a U.S. Taxpayer is entitled once per calendar year to terminate his or her election to receive DSUs in lieu of Cash Fees by filing with the Chief Financial Officer of the Company a notice in the form of Appendix "F" attached hereto. Such termination shall be effective immediately upon receipt of such notice, provided that the Company has not imposed a "black-out" on trading. Thereafter, any portion of such Electing Person's Cash Fees payable or paid in the same calendar year and, subject to complying with Section 4.2.1(b), all subsequent calendar years shall be paid in cash. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this Section 4.2, he or she shall not be entitled to elect to receive the Elected Amount, or any other amount of his or her

Cash Fees in DSUs in lieu of cash again until the calendar year following the year in which the termination notice is delivered. An election by a U.S. Taxpayer to receive the Elected Amount in DSUs in lieu of cash for any calendar year is irrevocable for that calendar year after the expiration of the election period for that year, and any termination of the election shall not take effect until the first day of the calendar year following the calendar year in which the termination notice in the form of Appendix "F" delivered.

- (e) Any DSUs granted pursuant to this Section 4.2 prior to the delivery of a termination notice pursuant to Section 4.2.1(d) shall remain in this Plan following such termination and shall be redeemable only in accordance with the terms of this Plan.
- (f) The number of DSUs (including fractional DSUs) granted at any particular time pursuant to this Section 4.2 shall be calculated by dividing (i) the amount of any compensation that is to be paid in DSUs (including Director's Fees and any Elected Amount), as determined by the Board, by (ii) the Market Price of a Share on the Date of Grant.

4.2.2 DSU Account

All DSUs received by a Participant (which, for greater certainty includes Electing Persons) shall be credited to the Participant's Account, as of the Date of Grant. The terms and conditions of each DSU grant shall be evidenced by a DSU Agreement.

4.2.3 Vesting of DSUs

The Board shall have the authority to determine the vesting terms applicable to grants of DSUs, except that, at all times when the Company is listed on the TSXV, no DSU issued hereunder may vest before the date that is one year following the date it is granted or issued. However, the vesting required by this Section 4.2.3 may be accelerated for a Participant who dies or who ceases to be an Eligible Participant under this Plan in connection with a Change of Control, take-over bid, reverse takeover or other similar transaction.

4.2.4 Settlement of DSUs

- (a) DSUs shall be settled on the date established in the Award Agreement; provided, however, that in no event shall a DSU Award be settled prior to a Participant's retirement, termination of employment or directorship or death, or in the case of a Participant that is a Canadian Participant, later than December 31 in the calendar year following the date of the applicable Participant's retirement, termination of employment or directorship or death. If the Award Agreement does not establish a date for the settlement of the DSUs, then the Settlement Date shall be the date of the Participant's retirement, termination of employment, or death, subject to the delay that may be required under Section 7.8(d) below in the case of a U.S. Taxpayer. Subject to Section 7.8(d) below in the case of a U.S. Taxpayer, and except as otherwise provided in an Award Agreement, on the Settlement Date for any DSU, each vested DSU shall be redeemed for:
 - (i) one Share issued from treasury to the Participant or as the Participant may direct;
 - (ii) a cash payment; or
 - (iii) a combination of Shares and cash as contemplated by clauses (i) and (ii) above, in each case as determined by the Board in its discretion.
- (b) Any cash payments made under this Section 4.2.4 by the Company to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Share as at the Settlement Date.

- (c) Payment of cash to Participants on the redemption of vested DSUs may be made through the Company's payroll in the pay period that the Settlement Date falls within.

4.3 Restricted Share Units

4.3.1 Granting of RSUs

The Board may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, grant RSUs to any Participant in respect of services rendered in the year of grant or subsequent thereto. The terms and conditions of each RSU grant shall be evidenced by an RSU Agreement. The number of RSUs (including fractional RSUs) granted at any particular time pursuant to this Section 4.3 shall be calculated by dividing (i) the amount of any compensation that is to be paid in RSUs, as determined by the Board, by (ii) the Market Price of a Share on the Date of Grant.

4.3.2 RSU Account

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

4.3.3 Vesting of RSUs

The Board shall have the authority to determine the vesting terms applicable to grants of RSUs, except that, at all times when the Company is listed on the TSXV, no RSU issued hereunder may vest before the date that is one year following the date it is granted or issued. However, the vesting required by this Section 4.3.3 may be accelerated for a Participant who dies or who ceases to be an Eligible Participant under this Plan in connection with a Change of Control, take-over bid, reverse takeover or other similar transaction.

4.3.4 Settlement of RSUs

- (a) The Board shall have the sole authority to determine the settlement terms, including time of settlement, applicable to the grant of RSUs and such terms shall be set forth in the applicable RSU Agreement. Subject to Section 7.8(d) below and except as otherwise provided in an RSU Agreement, on the Settlement Date for any RSU, each vested RSU shall be redeemed for: (i) one Share issued from treasury to the Participant or as the Participant may direct, (ii) a cash payment, or (iii) a combination of Shares and cash as contemplated by clauses (i) and (ii) above, in each case as determined by the Board in its discretion.
- (b) Any cash payments made under this Section 4.3.4 by the Company to a Participant in respect of RSUs to be redeemed for cash shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Price per Share as at the Settlement Date.
- (c) Payment of cash to Participants on the redemption of vested RSUs may be made through the Company's payroll in the pay period that the Settlement Date falls within.
- (d) Subject to Section 7.8(d) below and except as otherwise provided in an RSU Agreement, no Settlement Date for any RSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any RSU, under this Section 4.3.4 any later than the final Business Day of the third calendar year following the year in which the RSU is granted.

4.4 Performance Share Units

4.4.1 Granting of PSUs

The Board may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, grant PSUs to any Participant in respect of services rendered in the year of grant or subsequent thereto. The terms and conditions of each PSU grant, including time of settlement, shall be evidenced by a PSU Agreement. Each PSU shall consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 4.4.6), upon the achievement of such Performance Goals during such performance periods as the Board shall establish.

4.4.2 Terms of PSUs

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

4.4.3 Performance Goals

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

4.4.4 PSU Account

All PSUs received by a Participant shall be credited to the Participant's Account, as of the Date of Grant.

4.4.5 Vesting of PSUs

The Board shall have the authority to determine the vesting terms applicable to grants of PSUs, except that, at all times when the Company is listed on the TSXV, no PSU issued hereunder may vest before the date that is one year following the date it is granted or issued. However, the vesting required by this Section 4.4.5 may be accelerated for a Participant who dies or who ceases to be an Eligible Participant under this Plan in connection with a Change of Control, take-over bid, reverse takeover or other similar transaction.

4.4.6 Settlement of PSUs

- (a) The Board shall have the sole authority to determine the settlement terms applicable to the grant of PSUs and such terms shall be set forth in the applicable PSU Agreement. Subject to Section 7.8(d) below and except as otherwise provided in a PSU Agreement, on the Settlement Date for any PSU, each vested PSU shall be redeemed for:
 - (i) one Share issued from treasury to the Participant or as the Participant may direct, or
 - (ii) a cash payment, or
 - (iii) a combination of Shares and cash as contemplated by clauses (i) and (ii) above, in each case as determined by the Board in its discretion.

- (b) Any cash payments made under this Section 4.4.6 by the Company to a Participant in respect of PSUs to be redeemed for cash shall be calculated by multiplying the number of PSUs to be redeemed for cash by the Market Price per Share as at the Settlement Date.
- (c) Payment of cash to Participants on the redemption of vested PSUs may be made through the Company's payroll in the pay period that the Settlement Date falls within.
- (d) Subject to Section 7.8(d) below and except as otherwise provided in a PSU Agreement, no Settlement Date for any PSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any PSU, under this Section 4.4.6(d) any later than the final Business Day of the third calendar year following the year in which the PSU is granted.

4.5 Other Share-Based Awards

Subject to prior acceptance of the Stock Exchange, the Board may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, grant Other Share-Based Awards to any Participant. The terms and conditions of each Other Share-Based Award grant shall be evidenced by an Award Agreement. Each Other Share-Based Award shall consist of a right (i) which is other than an Option, DSU, PSU or RSU, and (ii) which is denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Shares (including, without limitation, securities convertible into Shares) as are deemed by the Board to be consistent with the purposes of this Plan; provided, however, that such right shall comply with applicable law. Subject to prior acceptance of the Stock Exchange, the terms of this Plan, and any applicable Award Agreement, the Board shall determine the terms and conditions of Other Share-Based Awards. Shares or other securities delivered pursuant to a purchase right granted under this Section 4.5 shall be purchased for such consideration, which may be paid by such method or methods and in such form or forms, including, without limitation, cash, Shares, other securities, other Awards, other property, or any combination thereof, as the Board shall determine in its discretion.

4.6 TSXV Filings

Notwithstanding any other provision of this Plan, at all times when the Company is listed on the TSXV, the Company shall maintain timely disclosure and file appropriate documentation in connection with grants of Share Units or Other Share-Based Awards made under this Plan in accordance with TSXV Policy 4.4.

ARTICLE 5: GENERAL CONDITIONS

5.1 General Conditions applicable to Awards

Each Award, as applicable, shall be subject to the following conditions:

- (a) Employment: The granting of an Award to a Participant shall not impose upon the Company or a Subsidiary any obligation to retain the Participant in its employ in any capacity. For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Company to grant any Awards in the future nor shall it entitle the Participant to receive future grants.
- (b) Rights as a Shareholder: Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards until the date of issuance of a share certificate or DRS statement to such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) or the entry of such Person's name on the central securities register for the Shares. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such share certificate or DRS statement is issued or entry of such Person's name on the central securities register for the Shares.

- (c) Conformity to Plan: In the event that an Award is granted or an Award Agreement is executed which does not conform in all particulars with the provisions of this Plan, or purports to grant Awards on terms different from those set out in this Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted shall be adjusted to become, in all respects, in conformity with this Plan.
- (d) Non-Transferability: Except as set forth herein, Awards are non-transferable and non-assignable. Awards may be exercised only upon the Participant's death, by the legal representative of the Participant's estate, provided that any such legal representative shall first deliver evidence satisfactory to the Company of entitlement to exercise any Award. A Person exercising an Award may subscribe for Shares only in the Person's own name or in the Person's capacity as a legal representative.
- (e) Hold Period: At all times when the Company is listed on the TSXV, the granting of an Award (i) to Insiders, or (ii) where the Exercise Price is at a discount to the Market Price (for the purposes of this Section 5.1(e) "Market Price" shall have the meaning ascribed to it in TSXV Policy 1.1), shall be subject to a four-month hold period in compliance with the applicable policies of the TSXV.

5.2 Termination of Employment

Each Share Unit and Option shall be subject to the following conditions:

- (a) Termination for Cause: Upon a Participant ceasing to be an Eligible Participant for Cause, all unexercised vested or unvested Share Units and Options granted to such Participant shall terminate on the effective date of the termination as specified in the notice of termination. For the purposes of this Plan, the determination by the Company that the Participant was discharged for Cause shall be binding on the Participant.
- (b) Retirement: In the case of a Participant's retirement (as defined in the applicable Award Agreement), any unvested Share Units and/or Options held by the Participant as at the Termination Date shall continue to vest in accordance with their vesting schedules, and all vested Share Units and Options held by the Participant at the Termination Date may be exercised until the earlier of the Expiry Date of such Share Units and Options or one (1) year following the Termination Date, provided that, if the Participant is determined to have breached any post-employment restrictive covenants in favour of the Company, then any Share Units and/or Options held by the Participant, whether vested or unvested, shall immediately expire and the Participant shall pay to the Company any "in-the-money" amounts realized upon exercise of Share Units and/or Options following the Termination Date. For greater certainty, any Share Units or Options (vested or unvested) must expire within a reasonable period, not exceeding twelve (12) months from the date of the Participant's retirement.
- (c) Other Termination or Cessation: In the case of a Participant ceasing to be an Eligible Participant for any reason other than for Cause, retirement or death, subject to any later expiration dates determined by the Board, all Share Units and Options shall expire on the earlier of:
 - (i) one (1) year after the effective date of such termination or cessation of a Participant that is a Director or Officer of the Company or a Subsidiary, or the Expiry Date of such Share Unit or Option, to the extent such Share Unit or Option was vested and exercisable by the Participant on the effective date of such termination or cessation; and
 - (ii) ninety (90) days after the effective date of such termination or cessation of a Participant that is not a Director or Officer of the Company or a Subsidiary, or the Expiry Date of such Share Unit or Option, to the extent such Share Unit or Option was vested and exercisable by the Participant on the effective date of such termination or cessation, and all unexercised unvested Share Units and/or

Options granted to such Participant shall terminate on the effective date of such termination or cessation.

- (d) Death: If a Participant dies while in his or her capacity as an Eligible Participant, all vested Share Units and Options held by the Participant at the date of death of such Participant may be exercised until the earlier of the Expiry Date of such Share Units and Options or one (1) year following the date of death of such Participant.
- (e) Change of Control: If a Participant is terminated without Cause or resigns for good reason during the 12 month period following a Change of Control, or after the Company has signed a written agreement to effect a Change of Control but before the Change of Control is completed, then any unvested Share Units and/or Options shall immediately vest and may be exercised prior to the earlier of ninety (90) days of such date or the Expiry Date of such Options.
 - (i) For the purposes of this Plan, a Participant's employment with the Company or a Subsidiary is considered to have terminated effective on the last day of the Participant's actual and active employment with the Company or a Subsidiary, whether such day is selected by agreement with the individual, unilaterally by the Company or a Subsidiary and whether with or without advance notice to the Participant. For the avoidance of doubt, no period of notice, if any, or payment instead of notice that is given or that ought to have been given under applicable law, whether by statute, imposed by a court or otherwise, in respect of such termination of employment that follows or is in respect of a period after the Participant's last day of actual and active employment shall be considered as extending the Participant's period of employment for the purposes of determining his or her entitlement under this Plan.
 - (ii) The Participant shall have no entitlement to damages or other compensation arising from or related to not receiving any Awards which would have settled or vested or accrued to the Participant after the date of cessation of employment or if working notice of termination had been given.

5.3 Unfunded Plan

Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Company. Notwithstanding the foregoing, any determinations made shall be such that this Plan continuously meets the requirements of paragraph 6801(d) of the Income Tax Regulations, adopted under the Tax Act or any successor provision thereto.

5.4 Discretion to Permit Acceleration

Notwithstanding the provisions of Section 5.2 but subject to compliance with the policies of the Stock Exchange, the Board may, in its discretion, at any time prior to, or following the events contemplated in Section 5.2, or in an Employment Agreement, Award Agreement or other written agreement between the Company or a Subsidiary and the Participant, permit the acceleration of vesting of any or all Awards or waive termination of any or all Awards, all in the manner and on the terms as may be authorized by the Board and with respect to Awards to U.S. Taxpayers, in a manner that does not result in adverse tax consequences under Section 409A of the Code. Notwithstanding the foregoing, Options granted to Investor Relations Service Providers cannot be accelerated without the prior acceptance of the Stock Exchange.

ARTICLE 6: ADJUSTMENTS AND AMENDMENTS

6.1 Adjustment to Shares Subject to Outstanding Awards

- (a) In the event of any subdivision of the Shares into a greater number of Shares at any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award, the Company shall deliver to such Participant, at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof, in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such subdivision if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.
- (b) In the event of any consolidation of Shares into a lesser number of Shares at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Company shall deliver to such Participant at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such consolidation if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.
- (c) If at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Shares shall be reclassified, reorganized or otherwise changed, otherwise than as specified in Section 6.1(a) or Section 6.1(b) hereof or, subject to the provisions of Section 6.2(3) hereof, the Company shall consolidate, merge or amalgamate with or into another corporation (the corporation resulting or continuing from such consolidation, merger or amalgamation being herein called the “**Successor Corporation**”), the Participant shall be entitled to receive upon the subsequent exercise or vesting of Award, in accordance with the terms hereof and shall accept in lieu of the number of Shares then subscribed for but for the same aggregate consideration payable therefor, the aggregate number of Shares of the appropriate class or other securities of the Company or the Successor Corporation (as the case may be) or other consideration from the Company or the Successor Corporation (as the case may be) that such Participant would have been entitled to receive as a result of such reclassification, reorganization or other change of shares or, subject to the provisions of Section 6.1(c) hereof, as a result of such consolidation, merger or amalgamation, if on the record date of such reclassification, reorganization or other change of shares or the effective date of such consolidation, merger or amalgamation, as the case may be, such Participant had been the registered holder of the number of Shares to which such Participant was immediately theretofore entitled upon such exercise or vesting of such Award.
- (d) If, at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Company shall make a distribution to all holders of Shares or other securities in the capital of the Company, or cash, evidences of indebtedness or other assets of the Company (excluding an ordinary course dividend in cash or Shares, but including for greater certainty Shares or equity interests in a Subsidiary or business unit of the Company or one of its Subsidiaries or cash proceeds of the disposition of such a Subsidiary or business unit), or should the Company effect any transaction or change having a similar effect, then the price or the number of Shares to which the Participant is entitled upon exercise or vesting of Award shall be adjusted to take into account such distribution, transaction or change. The Board shall determine the appropriate adjustments to be made in such circumstances in order to maintain the Participants’ economic rights in respect of their Awards in connection with such distribution, transaction or change.

- (e) Any adjustment, other than in connection with a security consolidation or security split, to any Awards granted or issued under this Plan must be subject to the prior acceptance of the TSXV, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

6.2 Amendment or Discontinuance of the Plan

- (a) The Board may amend this Plan or any Award at any time without the consent of the Participants provided that such amendment shall:
 - (i) not adversely alter or impair any Award previously granted except as permitted by the provisions of Article 6 hereof;
 - (ii) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the Stock Exchange; and
 - (iii) be subject to shareholder approval, where required by law, the requirements of the Stock Exchange or the provisions of this Plan, provided that shareholder approval shall not be required for the following amendments and the Board may make any such amendments:
 - (A) amendments of a general “housekeeping” or clerical nature that, among others, clarify, correct or rectify any ambiguity, defective provision, error or omission in this Plan;
 - (B) changes that alter, extend or accelerate the terms of vesting or settlement applicable to any Award (other than in respect of any Options held by Persons retained to provide Investor Relations Activities for which prior approval of the TSXV shall be required at all times when the Company is listed on the TSXV);
 - (C) any amendment regarding the administration of this Plan;
 - (D) any amendment necessary to comply with applicable law or the requirements of the Stock Exchange or any other regulatory body having authority over the Company, this Plan or the shareholders of the Company (provided, however, that any Stock Exchange shall have the overriding right in such circumstances to require shareholder approval of any such amendments); and
 - (E) any other amendment that does not require shareholder approval under Section 6.2(b).
- (b) Notwithstanding Section 6.2(a)(iii), the Board shall be required to obtain shareholder approval to make the following amendments:
 - (i) any change to the maximum number of Shares issuable from treasury under this Plan, except such increase by operation of Section 2.5 and in the event of an adjustment pursuant to Article 6;
 - (ii) any amendment which reduces the Exercise Price of any Award, except in the case of an adjustment pursuant to Article 6;
 - (iii) any amendment that would permit the introduction or reintroduction of Non-Employee Directors as Eligible Participants on a discretionary basis or any amendment that increases the limits previously imposed on Non-Employee Director participation;
 - (iv) any amendment to remove or to exceed the Insider participation limit set out in Section 2.6;
 - (v) any amendment regarding the effect of termination of a Participant’s employment or engagement;

- (vi) any amendment to add or amend provisions relating to the granting of cash-settled Awards, provision of financial assistance or clawbacks and any amendment to a cash-settled Award, financial assistance or clawbacks provisions which are adopted;
- (vii) any decrease in the Exercise Price of or extensions to Options granted to individuals that are Insiders at the time of the proposed amendment; and
- (viii) any amendment to the amendment provisions of this Plan.

At all times when the Company is listed on the TSXV, the shareholder approval referred to in Section 6.2(b)(ii) (if any such Award is held by an Insider) and Sections 6.2(b)(iv) and 6.2(b)(vii) above must be obtained on a “disinterested” basis in compliance with the applicable policies of the TSXV.

- (c) The Board may, subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant’s employment shall not apply for any reason acceptable to the Board.
- (d) Notwithstanding any other provision of this Plan, at all times when the Company is listed on the TSXV:
 - (i) the Company shall be required to obtain prior TSXV acceptance of any amendment to this Plan; and
 - (ii) the Company shall be required to obtain disinterested shareholder approval in compliance with the applicable policies of the TSXV for this Plan if, together with all of the Company’s previously established and outstanding equity compensation plans or grants, could permit at any time: (A) the aggregate number of Shares reserved for issuance under Awards granted to Insiders (as a group) at any point in time exceeding 10% of the issued Shares; and (B) the grant to Insiders (as a group), within a 12 month period, of an aggregate number of Awards exceeding 10% of the issued Shares, calculated at the date an Award is granted to any Insider.

6.3 Change of Control

- (a) Notwithstanding any other provision of this Plan, in the event of a Change of Control, the surviving, successor or acquiring entity shall assume any Awards or shall substitute similar options, share units other share-based awards for the outstanding Awards, as applicable. If the surviving, successor or acquiring entity does not assume the outstanding Awards or substitute similar options, share units or other share-based awards for the outstanding Awards, as applicable, or if the Board otherwise determines in its discretion, the Company shall give written notice to all Participants advising that this Plan shall be terminated effective immediately prior to the Change of Control and all outstanding Awards shall be deemed to be vested and, unless otherwise exercised, settled, forfeited or cancelled prior to the termination of this Plan, shall expire or, with respect to Share Units or Other Share-Based Awards be settled, immediately prior to the termination of this Plan. The number of PSUs which are deemed to be vested shall be determined by the Board, in its sole discretion, having regard to the level of achievement of the Performance Goals prior to the Change of Control.
- (b) In the event of a Change of Control, the Board has the power to: (i) make such other changes to the terms of the Awards as it considers fair and appropriate in the circumstances, provided such changes are not adverse to the Participants; (ii) otherwise modify the terms of the Awards to assist the Participants to tender into a takeover bid or other arrangement leading to a Change of Control, and thereafter; and (iii) terminate, conditionally or otherwise, the Awards not exercised or settled, as applicable, following successful completion of such Change of Control. If the Change of Control is not completed within the time specified therein (as the same may be extended), the Awards which vest pursuant to this Section 6.3 shall be returned by the Company to the Participant and, if exercised or settled, as applicable, the Shares issued on such

exercise or settlement shall be reinstated as authorized but unissued Shares and the original terms applicable to such Awards shall be reinstated.

ARTICLE 7: U.S. TAXPAYERS

7.1 Provisions for U.S. Taxpayers

In the case of a Participant who is a U.S. Taxpayer, Options may only be awarded to such Participant to the extent the Participant performs direct services to (A) the Company or any entity (other than the Company), in an unbroken chain of corporations (or other entities) beginning with the Company, in which each of the corporations (or other entities) other than the last corporation or other entity in the unbroken chain owns, directly or indirectly, equity representing at least 50% of the voting power of all classes of equity entitled to vote or at least 50% of the value of all classes of equity in one of the other corporations (or other entities) in such chain, or (B) to an entity that otherwise qualifies as an eligible issuer of service recipient stock pursuant to United States Treasury Regulation Section 1.409A-1(b)(5)(iii)(E)(1). Options granted under this Plan to U.S. Taxpayers may be non-qualified stock options or incentive stock options qualifying under Section 422 of the Code (“ISOs”). Each Option shall be designated in the Award Agreement as either an ISO or a non-qualified stock option, and if no designation is made, the Option shall be a non-qualified stock option. The Company shall not be liable to any Participant or to any other Person if it is determined that an Option intended to be an ISO does not qualify as an ISO.

7.2 ISOs

Subject to any limitations in Section 2.5, the aggregate number of Shares reserved for issuance in respect of granted ISOs shall not exceed an amount as set forth by the Board from time to time and in accordance with applicable law, and the terms and conditions of any ISOs granted to a U.S. Taxpayer on the Date of Grant hereunder, including the eligible recipients of ISOs, shall be subject to the provisions of Section 422 of the Code, and the terms, conditions, limitations and administrative procedures established by the Board from time to time in accordance with this Plan. At the discretion of the Board, ISOs may be granted to any Employee of the Company, or of a “subsidiary corporation”, as such term is defined in Section 424(f) of the Code. No ISOs may be granted more than ten (10) years after the earlier of (i) the date on which the Board adopts the most recent amendment and restatement of this Plan, or (ii) the date on which the shareholders of the Company approve such most recent amendment and restatement of this Plan. An ISO may be exercised during the Participant’s lifetime only by such Participant. An ISO may not be transferred, assigned, pledged, hypothecated or otherwise disposed of by the Participant, except by Will or by the laws of descent and distribution.

7.3 ISO Term and Exercise Price; Grants to 10% Shareholders

Notwithstanding anything to the contrary in this Plan, the term of an ISO shall not exceed ten (10) years, and the exercise price of an ISO shall be not less than (i) one hundred percent (100%) of the Fair Market Value of the Shares on the applicable Date of Grant; and (ii) the Market Price of the Shares on the applicable Date of Grant; provided, however, that if an ISO is granted to a Person who owns Shares representing more than 10% of the voting power of all classes of shares of the Company or of a “subsidiary corporation”, as such term is defined in Section 424(f) of the Code, on the Date of Grant, the term of the ISO shall not exceed five years from the time of grant of such ISO and the Exercise Price shall be no less than (a) 110% of the Fair Market Value of the Shares subject to the ISO and (b) the Market Price of such Shares.

7.4 \$100,000 Per Year Limitation for ISOs

To the extent the aggregate Fair Market Value as at the Date of Grant of the Shares for which ISOs are exercisable for the first time by any Person during any calendar year (under all plans of the Company) exceeds \$100,000, such excess ISOs shall be treated as non-qualified stock options.

7.5 Disqualifying Dispositions

Each Person awarded an ISO under this Plan shall notify the Company in writing immediately after the date he or she makes a disposition or transfer of any Shares acquired pursuant to the exercise of such ISO if such disposition or transfer is made (i) within two years from the Date of Grant; or (ii) within one year after the date such Person acquired the Shares. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the Person in such disposition or other transfer. The Company may, if determined by the Board and in accordance with procedures established by it, retain possession of any Shares acquired pursuant to the exercise of an ISO as agent for the applicable Person until the end of the later of the periods described in (i) or (ii) above, subject to complying with any instructions from such Person as to the sale of such Shares.

7.6 ISO Status Following Termination of Employment

An ISO shall be exercisable in accordance with its terms under this Plan and the applicable Option Agreement awarding the ISO. However, in order to retain its treatment as an ISO for U.S. federal income tax purposes, the ISO must be exercised within the time periods set forth below. If an ISO is not exercised within the time periods below, but the Option otherwise would remain exercisable following such time periods pursuant to the terms of the Option Agreement, then, following the expiration of the time periods below without exercise, the ISO will be converted to a non-qualified stock option:

- (a) If a Participant who has been granted an ISO ceases to be an Employee for any reason other than the death or disability (within the meaning of Code Section 22(e)) of such Participant, such ISO must be exercised (to the extent such Option was exercisable on the date of termination) by such Participant within 90 days following the date of termination (but in no event beyond the Expiry Date of such ISO).
- (b) If a Participant who has been granted an ISO ceases to be an Employee due to the disability of such Participant (within the meaning of Code Section 22(e)), such ISO must be exercised (to the extent it is exercisable by its terms) by the earlier of (i) such date as determined by the Board, and (ii) the date that is one year following the date of such disability, but in no event beyond the Expiry Date of such ISO.
- (c) For purposes of this Section 7.6, the employment of a Participant who has been granted an ISO shall not be considered interrupted or terminated upon (i) sick leave, military leave or any other leave of absence approved by the Company that does not exceed ninety (90) days in the aggregate; provided, however, that if reemployment upon the expiration of any such leave is guaranteed by contract or applicable law, such ninety (90) day limitation shall not apply, or (ii) a transfer from one office of the Company (or of any subsidiary of the Company as defined in Code Section 424(f)) to another office of the Company (or of any such subsidiary) or a transfer between the Company and any such subsidiary.

7.7 Shareholder Approval for ISO Purposes

In the event this Plan is not approved by the shareholders of the Company in accordance with the requirements of Section 422 of the Code within twelve (12) months of the date of adoption of this Plan (or the date of any later restatement of this Plan that adds or changes ISO provisions requiring shareholder approval), Options otherwise designated as ISOs will be non-qualified stock options.

7.8 Section 409A of the Code

- (a) This Plan shall be construed and interpreted to be exempt from, or where not so exempt, to comply with Section 409A of the Code to the extent required to preserve the intended tax consequences of this Plan. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Section 409A of the Code, it is intended that the Award shall be granted, paid, settled or deferred in a manner that shall meet the

requirements of Section 409A of the Code, such that the grant, payment, settlement or deferral shall not be subject to the additional tax or interest applicable under Section 409A of the Code. The Company reserves the right to amend this Plan to the extent it reasonably determines is necessary in order to preserve the intended tax consequences of this Plan in light of Section 409A of the Code. In no event shall the Company or any Subsidiary or Affiliate of the Company be liable for any tax, interest or penalties that may be imposed on a Participant under Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.

- (b) All terms of this Plan that are undefined or ambiguous must be interpreted in a manner that complies with Section 409A of the Code if necessary to comply with Section 409A of the Code.
- (c) Subject to compliance with the policies of the Stock Exchange, the Board, in its sole discretion, may permit the acceleration of the time or schedule of payment of a U.S. Taxpayer's vested Awards in this Plan under circumstances that constitute permissible acceleration events under Section 409A of the Code.
- (d) Notwithstanding anything in this Plan or any Award Agreement to the contrary, to the extent that any amount or benefit that constitutes "deferred compensation" to a Participant under Section 409A and applicable guidance thereunder is otherwise payable or distributable to a Participant under this Plan or any Award Agreement solely by reason of the occurrence of a Change of Control or due to the Participant's disability or Separation from Service, such amount or benefit shall not be payable or distributable to the Participant by reason of such circumstance unless the Board determines in good faith that (i) the circumstances giving rise to such Change of Control event, disability or Separation from Service meet the definition of a change in control event, disability, or Separation from Service, as the case may be, in Section 409A(a)(2)(A) of the Code and applicable proposed or final regulations, or (ii) the payment or distribution of such amount or benefit would be exempt from the application of Section 409A by reason of the short term deferral exemption or otherwise. In order to comply with both Canadian and U.S. tax rules, RSUs and PSUs will be structured so that the designated settlement/payment date (the "**Scheduled Payment Date**") for such Award shall in all cases be no later than the final Business Day of the third calendar year following the year in which the Award is granted, and settlement shall in fact occur by such final Business Day. Further, to the extent that any RSU or PSU is deferred compensation under Section 409A of the Code, then as to any Participant: (i) who is a U.S. Taxpayer, (ii) who is a "specified employee" within the meaning of Section 409A of the Code at the time of his or her Separation from Service, and (iii) whose RSU or PSU would by its terms be settled/paid pursuant earlier than the Scheduled Payment Date as a result of his or her Separation from Service, then settlement shall not occur earlier than the date that is six (6) months and one day following the date of Separation from Service, or as soon as practicable following the date of the Participant's death, if earlier, all to the extent required by Section 409A of the Code. With respect to DSUs of a U.S. Taxpayer, where settlement is to occur upon such Participant's Separation from Service, if such Participant is a "specified employee" at the time of his or her Separation from Service, then settlement shall occur on the date that is six (6) months and one day following the date of Separation from Service, or, if earlier, as soon as practicable following the date of the Participant's death.

7.9 Section 83(b) Election

If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Shares subject to vesting or other forfeiture conditions, the Participant shall be required to promptly file a copy of such election with the Company.

ARTICLE 8: US SECURITIES LAW MATTERS

8.1 United States Securities Law Matters

No Awards shall be made in the United States and no Shares shall be issued upon exercise, conversion or settlement of any such Awards in the United States unless such securities are registered under the U.S. Securities Act and any applicable U.S. state securities laws, or an exemption from such registration is available. Any Awards issued, and any Shares issued upon exercise, conversion or settlement thereof, will be “restricted securities” (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act). Any certificate or instrument representing such securities shall bear a legend restricting transfer under applicable United States federal and state securities laws in substantially the following form:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 904 OF REGULATIONS UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS, AFTER, IN THE CASE OF TRANSFERS UNDER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE COMPANY AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES.”

The Board may require that a Participant of this Plan provide certain representations, warranties and certifications to the Company to satisfy the requirements of applicable Securities Laws, including, without limitation, the registration requirements of the U.S. Securities Act and applicable state securities laws or exemptions or exclusions therefrom.

ARTICLE 9: GENERAL

9.1 Compliance and Award Restrictions

- (a) The Company’s obligation to issue and deliver Shares under any Award is subject to: (i) the completion of such registration or other qualification of such Shares or obtaining approval of such Regulatory Authority as the Company shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; (ii) the admission of such Shares to listing on any Stock Exchange on which such Shares may then be listed; and (iii) the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Shares as the Company determines to be necessary or advisable in order to safeguard against the violation of the Securities Laws of any jurisdiction. The Company shall take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable Securities Laws and for the listing of such Shares on any Stock Exchange on which such Shares are then listed.

- (b) The Participant agrees to fully cooperate with the Company in doing all such things, including executing and delivering all such agreements, undertakings or other documents or furnishing all such information as is reasonably necessary to facilitate compliance by the Company with such laws, rules and requirements, including all tax withholding and remittance obligations.
- (c) No Awards shall be granted where such grant is restricted pursuant to the terms of any trading policies or other restrictions imposed by the Company.
- (d) The Company is not obliged by any provision of this Plan or the grant of any Award under this Plan to issue or sell Shares if, in the opinion of the Board, such action would constitute a violation by the Company or a Participant of any laws, rules and regulations or any condition of such approvals.
- (e) If Shares cannot be issued to a Participant upon the exercise or settlement of an Award due to legal or regulatory restrictions, the obligation of the Company to issue such Shares shall terminate and, if applicable, any funds paid to the Company in connection with the exercise of any Options shall be returned to the applicable Participant as soon as practicable.

9.2 Use of an Administrative Agent and Trustee

The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer the Awards granted under this Plan and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under this Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. The Company and the administrative agent shall maintain records showing the number of Awards granted to each Participant under this Plan.

9.3 Tax Withholding

- (a) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under this Plan shall be made net of applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied by (i) having the Participant elect to have the appropriate number of such Shares sold by the Company, the Company's transfer agent and registrar or any trustee appointed by the Company pursuant to Section 9.3 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Company, which shall in turn remit such amounts to the appropriate governmental authorities, or (ii) any other mechanism as may be required or appropriate to conform with local tax and other rules.
- (b) The sale of Shares by the Company, or by a broker engaged by the Company (the "**Broker**"), under Section 9.4(a) or under any other provision of this Plan shall be made on the Stock Exchange. The Participant consents to such sale and grants to the Company an irrevocable power of attorney to effect the sale of such Shares on his or her behalf and acknowledges and agrees that (i) the number of Shares sold shall be, at a minimum, sufficient to fund the withholding obligations net of all selling costs, which costs are the responsibility of the Participant and which the Participant hereby authorizes to be deducted from the proceeds of such sale; (ii) in effecting the sale of any such Shares, the Company or the Broker shall exercise its sole judgment as to the timing and the manner of sale and shall not be obligated to seek or obtain a minimum price; and (iii) neither the Company nor the Broker shall be liable for any loss arising out of such sale of the Shares including any loss relating to the pricing, manner or timing of the sales or any delay in transferring any Shares to a Participant or otherwise.
- (c) The Participant further acknowledges that the sale price of the Shares shall fluctuate with the Market Price of the Shares and no assurance can be given that any particular price shall be received upon any sale.

- (d) Notwithstanding the first paragraph of this Section 9.3, the applicable tax withholdings may be waived where the Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which regulation 100(3) of the regulations of the Tax Act apply.
- (e) At all times when the Company is listed on the TSXV, this Section 9.3 must comply with the requirements of TSXV Policy 4.4, including, but not limited to, no act permitted under this Section 9.3 resulting in an alteration to the Exercise Price of an Award or having the effect of a net exercise transaction.

9.4 Reorganization of the Company

The existence of any Awards shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

9.5 No Other Benefit

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

9.6 Conflict

Subject to compliance with the policies of the Stock Exchange, in the event of any conflict between the provisions of this Plan and an Award Agreement, the provisions of this Plan shall govern. In the event of any conflict between or among the provisions of this Plan or any Award Agreement, on the one hand, and a Participant's Employment Agreement with the Company or a Subsidiary, as the case may be, on the other hand, the provisions of this Plan shall prevail.

9.7 Anti-Hedging Policy

By accepting the Option or Award each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Options or Awards.

9.8 Participant Information

Each Participant shall provide the Company with all information (including personal information) required by the Company in order to administer this Plan (including as to whether the circumstances described in Section 7.3 exist). Each Participant acknowledges that information required by the Company in order to administer this Plan may be disclosed to any custodian appointed in respect of this Plan and other third parties, and may be disclosed to such Persons (including Persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of this Plan. Each Participant consents to such disclosure and authorizes the Company to make such disclosure on the Participant's behalf.

9.9 No Representations or Warranties

The Company makes no representation or warranty as to the value of any Award granted or issued under this Plan or as to the future value of the any Shares issued pursuant to any Award.

9.10 Successors and Assigns

This Plan shall be binding on all successors and assigns of the Company and its Subsidiaries.

9.11 General Restrictions on Assignment

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

9.12 Governing Law

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

9.13 Submission to Jurisdiction

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

9.14 Severability

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

9.15 Notices

All notices or other communications required or permitted to be given by any party hereunder shall be in writing and shall be sufficiently given if delivered personally or transmitted electronically to such party, as follows:

Kovo+ Holdings Inc.
850 2nd Street, Suite 1500
Calgary, AB T2P 0R8
Attention: Justin Anderson
Email: Justin@kovoplus.com
With a copy to:
Dentons Canada LLP
Attention: James O’Sullivan
Email: James.osullivan@dentons.com

All notices to a Participant shall be addressed to the principal address of the Participant on file with the Company. Either the Company or the Participant may designate a different address by written notice to the other. Such notices are deemed to be received, if delivered personally or by e-mail, on the date of delivery, and if sent by mail, on the fifth (5th) Business Day following the date of mailing; provided that in the event of any actual or imminent postal disruption, notices shall be delivered to the appropriate party and not sent by mail. Any notice given by either the Participant or the Company is not binding on the recipient thereof until received.

9.16 Effective Date of the Plan

The Plan was approved by the Board on June 16, 2025, and shall take effect on the date of approval of the shareholders of the Company given and obtained in compliance with the requirements of TSXV Policy 4.4.

APPENDIX "A"

FORM OF OPTION AGREEMENT

[The following legend to be included on Option Agreements for Optionees in the United States:]

[THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 904 OF REGULATIONS UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS, AFTER, IN THE CASE OF TRANSFERS UNDER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE COMPANY AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES.]

[All Options issued to Insiders and Options issued at a discount to the Market Price must include the following legend:

Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate and the Shares issuable upon the exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada to or for the benefit of a Canadian resident until [insert the date that is four months and one day after the date of issue of the Options].

This Option Agreement is entered into between Kovo+ Holdings Inc. (the "**Company**") and the Optionee named below pursuant to the Company's Omnibus Equity Incentive Plan (the "**Plan**"), a copy of which is attached hereto, and confirms the following:

1. Grant Date: [●]
2. Optionee: [●]
3. Optionee's Eligible Participant Capacity under the Plan: [●]
4. Number of Options: [●]
5. Option Price (\$ per Share): [●]
6. Expiry Date of Option Period: [●]
7. Each Option that has vested entitles the Optionee to purchase one Share at any time up to 4:30 p.m. (Calgary time) on the Expiry Date of the Option Period. The Options vest as follows: [●]
8. The Options are non-assignable and non-transferable, otherwise than by Will or by the law governing the devolution of property to the Optionee's executor, administrator or other personal representative in the event of death of the Optionee.

9. If the Optionee is in the United States, the certificate representing any Shares issuable upon exercise of the Options will bear a legend restricting transfer without registration under the U.S. Securities Act of 1933, as amended, and applicable state securities laws unless an exemption from registration is available.
10. This Option Agreement is subject to the terms and conditions set out in the Plan, as amended or replaced from time to time. In the case of any inconsistency between this Option Agreement and the Plan, the Plan shall govern.
11. Unless otherwise indicated, all defined terms shall have the respective meanings attributed thereto in the Plan.
12. By signing this agreement, the Optionee acknowledges that:
 - (a) the Optionee consents to the Company's collection, use and disclosure of the Optionee's personal information for the purposes of the Company's grant of the Options referenced herein, and that from time to time, the Company may be required to disclose such personal information to securities Regulatory Authorities and Stock Exchanges and, by providing such personal information to the Company, the Optionee hereby expressly consents to such disclosure; and
 - (b) he, she, or its authorized representative has read and understands the Plan and agrees that the Options are granted under and governed by the terms and conditions of the Plan, as may be amended or replaced from time to time.

IN WITNESS WHEREOF, the parties hereto have executed this Option Agreement as of the ____ day of _____, 202__.

Signature of Optionee:

Name of Optionee *[please print]*:

KOVO+ HOLDINGS INC.

Per:

Name: [●]

Title: [●]

SCHEDULE "A"
ELECTION TO EXERCISE STOCK OPTIONS

TO: Kovo+ Holdings Inc. (the "Company")

The undersigned Optionee hereby elects to exercise Options granted by the Company to the undersigned pursuant to an Award Agreement dated under the Company's Omnibus Equity Incentive Plan (the "**Plan**"), for the number Shares set forth below. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Number of Shares to be Acquired:

Exercise Price (per Share):

_____ Cdn.\$

Aggregate Purchase Price:

_____ Cdn.\$

Amount enclosed that is payable on account of any source deductions relating to this Option exercise (contact the Company for details of such amount):

_____ Cdn.\$

OR check here if alternative arrangements have been made with the Company.

The undersigned Optionee hereby tenders a certified cheque, bank draft or other form of payment confirmed as acceptable by the Company for such aggregate purchase price, and, if applicable, all source deductions, and directs such Shares to be registered as follows:

Name: _____

Address: _____

If the Optionee is in the United States, the certificate representing any Shares issuable upon exercise of the Options will bear a legend restricting transfer without registration under the U.S. Securities Act of 1933, as amended, and applicable state securities laws unless an exemption from registration is available.

The undersigned hereby further directs that the Shares subscribed for be issued and delivered as follows (check one (1) box; **if no box is checked then the Shares will be issued in DRS form and delivered to the address noted above**):

issued via book entry through the Direct Registration System (DRS) and emailed to:

OR

issued in certificate form and delivered to the address noted above.

I hereby agree to file, on a timely basis, all insider reports and other reports that I may be required to file under applicable Securities Laws. I understand that this request to exercise my Options is irrevocable.

Date: _____

(Name of Participant)

(Signature of Participant)

SCHEDULE "B"
SURRENDER NOTICE

TO: Kovo+ Holdings Inc. (the "Company")

The undersigned Optionee hereby elects to surrender _____ Options granted by the Company to the undersigned pursuant to an Award Agreement dated _____, 20__ under the Company's Omnibus Equity Incentive Plan (the "**Plan**") in exchange for Shares as calculated in accordance with Section 3.6(c) of the Plan. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

The undersigned directs such Shares to be registered as follows:

Name: _____

Address: _____

If the Optionee is in the United States, the certificate representing any Shares issuable upon exercise of the Options will bear a legend restricting transfer without registration under the U.S. Securities Act of 1933, as amended, and applicable state securities laws unless an exemption from registration is available.

The undersigned hereby further directs that the Shares subscribed for be issued and delivered as follows (check one (1) box; **if no box is checked then the Shares shall be issued in DRS form and delivered to the address noted above**):

issued via book entry through the Direct Registration System (DRS) and emailed to:

OR

issued in certificate form and delivered to the address noted above.

I hereby agree to file or cause the Company to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable Securities Laws. I understand that this request to exercise my Options is irrevocable.

Date: _____

(Name of Participant)

(Signature of Participant)

APPENDIX “B”

FORM OF DSU AGREEMENT

[The following legend to be included on DSU Agreements for Recipients in the United States:]

[THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON SETTLEMENT HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 904 OF REGULATIONS UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS, AFTER, IN THE CASE OF TRANSFERS UNDER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE COMPANY AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES.]

[The following legend to be included on DSU Agreement if required under TSXV Policy 4.4:

Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate and the Shares issuable upon the exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert the date that is four months and one day after the date of issue of the DSU].

This deferred share unit agreement (“**DSU Agreement**”) is granted by Kovo+ Holdings Inc. (the “**Company**”) in favour of the Participant named below (the “**Recipient**”) of the deferred share units (“**DSUs**”) pursuant to the Company’s Omnibus Equity Incentive Plan (the “**Plan**”). Capitalized terms used and not otherwise defined in this DSU Agreement shall have the meanings set forth in the Plan.

The terms of the DSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient.** The Recipient is [●] and the address of the Recipient is currently [●].
2. **Grant of DSUs.** The Recipient is hereby granted [●] DSUs.
3. **Vesting.** The DSUs shall vest as follows: [●]
4. **Restriction Period.** In accordance with Section 4.2 of the Plan, the restriction period in respect of the DSUs granted hereunder, as determined by the Board, shall commence on the date of grant of the DSUs hereunder and terminate on the date of the Recipient’s retirement, termination of employment or directorship, or death (the “**Termination Date**”).
5. **Settlement.** After the Termination Date, the Recipient will notify the Company in writing of the number of vested DSUs to be settled and the date of settlement (the “**Settlement Date**”), which notice must be delivered to the Company at least two weeks in advance of any proposed Settlement Date. The Recipient may settle vested DSUs in multiple tranches. The Settlement Date must be no later than December 15 of the calendar year following the Termination Date. In the event no written notice is provided by the Recipient to the

Company as provided for in this section 5, all vested DSUs will be settled on December 15 of the calendar year following the Termination Date.

[For US Taxpayers: Unless the Recipient's DSU Form of Election Notice sets forth a different payment rule permitted by Section 409A of the Code, DSUs shall be payable in a single payment upon the Recipient's Separation from Service. The date of settlement (the "**Settlement Date**") shall be the date of the Separation from Service or such later date as determined solely by the Company not to exceed the later of (i) the last day of the calendar year in which the Separation from Service occurs, or (ii) the fifteenth (15th) day of the third (3rd) calendar month following the calendar month in which such Separation from Service occurs.]

6. **Transfer of DSUs and Shares.** The DSUs granted hereunder are non-transferable or assignable except in accordance with the Plan. If the Recipient is in the United States, the certificate representing any Shares issuable upon settlement of the DSUs will bear a legend restricting transfer without registration under the U.S. Securities Act of 1933, as amended, and applicable state securities laws unless an exemption from registration is available.
7. **Inconsistency.** This DSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this DSU Agreement and the Plan, the terms of the Plan shall govern.
8. **Severability.** Wherever possible, each provision of this DSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this DSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this DSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
9. **Entire Agreement.** This DSU Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
10. **Successors and Assigns.** This DSU Agreement shall bind and enure to the benefit of the Recipient and the Company and their respective successors and permitted assigns.
11. **Time of the Essence.** Time shall be of the essence of this DSU Agreement and of every part hereof.
12. **Governing Law.** This DSU Agreement and the DSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
13. **Counterparts.** This DSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this DSU Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this DSU Agreement.

IN WITNESS WHEREOF, the parties hereof have executed this DSU Agreement as of the _____ day of _____, 202__.

Date: _____

(Name of Participant)

(Signature of Participant)

KOVO+ HOLDINGS INC.

Per: _____

Name: [●]

Title: [●]

APPENDIX “C”

FORM OF RSU AGREEMENT

[The following legend to be included on RSU Agreements for Recipients in the United States:]

[THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON SETTLEMENT HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 904 OF REGULATIONS UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS, AFTER, IN THE CASE OF TRANSFERS UNDER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE COMPANY AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES.]

[The following legend to be included on RSU Agreement if required under TSXV Policy 4.4:

Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate and the Shares issuable upon the exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert the date that is four months and one day after the date of issue of the RSU].

This restricted share unit agreement (“**RSU Agreement**”) is granted by Kovo+ Holdings Inc. (the “**Company**”) in favour of the Participant named below (the “**Recipient**”) of the restricted share units (“**RSUs**”) pursuant to the Company’s Omnibus Equity Incentive Plan (the “**Plan**”). Capitalized terms used and not otherwise defined in this RSU Agreement shall have the meanings set forth in the Plan.

The terms of the RSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient.** The Recipient is [●] and the address of the Recipient is currently [●].
2. **Grant of RSUs.** The Recipient is hereby granted [●] RSUs.
3. **Restriction Period.** In accordance with Section 4.3 of the Plan, the restriction period in respect of the RSUs granted hereunder, as determined by the Board, shall commence on [●] and terminate on [●].
4. **Performance Goals.** [●].
5. **Performance Period.** [●].
6. **Vesting.** The RSUs shall vest as follows: [●].
7. **Transfer of RSUs and Shares.** The RSUs granted hereunder are non-transferable or assignable except in accordance with the Plan. If the Recipient is in the United States, the certificate representing any Shares issuable upon settlement

of the RSUs will bear a legend restricting transfer without registration under the U.S. Securities Act of 1933, as amended, and applicable state securities laws unless an exemption from registration is available.

- 8. **Inconsistency.** This RSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this RSU Agreement and the Plan, the terms of the Plan shall govern.
- 9. **Severability.** Wherever possible, each provision of this RSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this RSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this RSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
- 10. **Entire Agreement.** This RSU Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
- 11. **Successors and Assigns.** This RSU Agreement shall bind and enure to the benefit of the Recipient and the Company and their respective successors and permitted assigns.
- 12. **Time of the Essence.** Time shall be of the essence of this RSU Agreement and of every part hereof.
- 13. **Governing Law.** This RSU Agreement and the RSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
- 14. **Counterparts.** This RSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.
- 15. By signing this RSU Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this RSU Agreement.

IN WITNESS WHEREOF, the parties hereof have executed this RSU Agreement as of the _____ day of _____, 202__.

Date: _____

(Name of Participant)

(Signature of Participant)

KOVO+ HOLDINGS INC.

Per: _____

Name: [●]

Title: [●]

APPENDIX “D”

FORM OF PSU AGREEMENT

[The following legend to be included on PSU Agreements for Recipients in the United States:]

[THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON SETTLEMENT HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 904 OF REGULATIONS UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS, AFTER, IN THE CASE OF TRANSFERS UNDER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE COMPANY AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES.]

[The following legend to be included on PSU Agreement if required under TSXV Policy 4.4:

Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate and the Shares issuable upon the exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert the date that is four months and one day after the date of issue of the PSU].

This performance share unit agreement (“**PSU Agreement**”) is granted by Kovo+ Holdings Inc. (the “**Company**”) in favour of the Participant named below (the “**Recipient**”) of the performance share units (“**PSUs**”) pursuant to the Company’s Omnibus Equity Incentive Plan (the “**Plan**”). Capitalized terms used and not otherwise defined in this PSU Agreement shall have the meanings set forth in the Plan.

The terms of the PSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient.** The Recipient is [●] and the address of the Recipient is currently [●].
2. **Grant of PSUs.** The Recipient is hereby granted [●] PSUs.
3. **Restriction Period.** In accordance with Section 4.3 of the Plan, the restriction period in respect of the PSUs granted hereunder, as determined by the Board, shall commence on [●] and terminate on [●].
4. **Performance Goals.** [●].
5. **Performance Period.** [●].
6. **Vesting.** The PSUs shall vest as follows: [●].
7. **Transfer of PSUs and Shares.** The PSUs granted hereunder are non-transferable or assignable except in accordance with the Plan. If the Recipient is in the United States, the certificate representing any Shares issuable upon settlement

of the PSUs will bear a legend restricting transfer without registration under the U.S. Securities Act of 1933, as amended, and applicable state securities laws unless an exemption from registration is available.

- 8. **Inconsistency.** This PSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this PSU Agreement and the Plan, the terms of the Plan shall govern.
- 9. **Severability.** Wherever possible, each provision of this PSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this PSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this PSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
- 10. **Entire Agreement.** This PSU Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
- 11. **Successors and Assigns.** This PSU Agreement shall bind and enure to the benefit of the Recipient and the Company and their respective successors and permitted assigns.
- 12. **Time of the Essence.** Time shall be of the essence of this PSU Agreement and of every part hereof.
- 13. **Governing Law.** This PSU Agreement and the PSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
- 14. **Counterparts.** This PSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this PSU Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this PSU Agreement.

IN WITNESS WHEREOF, the parties hereof have executed this PSU Agreement as of the _____ day of _____, 202__.

Date: _____

(Name of Participant)

(Signature of Participant)

KOVO+ HOLDINGS INC.

Per: _____

Name: [●]

Title: [●]

APPENDIX “E”

FORM OF ELECTION NOTICE

[The following legend to be included on Election Notices for Participants in the United States:]

[THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON SETTLEMENT HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 904 OF REGULATIONS UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS, AFTER, IN THE CASE OF TRANSFERS UNDER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE COMPANY AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES.]

[The following legend to be included on Election Notices if required under TSXV Policy 4.4:

Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate and the Shares issuable upon the exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert the date that is four months and one day after the date of issue of the Election Notice].

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

Pursuant to the Plan, I hereby elect to participate in the grant of DSUs pursuant to Section 4.2 of the Plan and to receive _____% of my Cash Fees in the form of DSUs in lieu of cash.

I confirm that:

- (a) I have received and reviewed a copy of the terms of the Plan and agreed to be bound by them.
- (b) I recognize that when DSUs credited pursuant to this election are redeemed in accordance with the terms of the Plan, income tax and other withholdings as required shall arise at that time. Upon redemption of the DSUs, the Company shall make all appropriate withholdings as required by law at that time.
- (c) The value of DSUs is based on the value of the Shares of the Company and therefore is not guaranteed.
- (d) To the extent I am a U.S. Taxpayer, I understand that this election is irrevocable for the calendar year to which it applies and that any revocation or termination of this election after the expiration of the election period shall not take effect until the first day of the calendar year following the year in which I file the revocation or termination notice with the Company.

- (e) If I am in the United States, I acknowledge that the certificate representing any Shares issuable upon settlement of the DSUs will bear a legend restricting transfer without registration under the U.S. Securities Act of 1933, as amended, and applicable state securities laws unless an exemption from registration is available.

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

Date: _____

(Name of Participant)

(Signature of Participant)

APPENDIX "F"

FORM OF ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUs (FOR PARTICIPANTS WHO ARE NOT U.S. TAXPAYERS)

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

Notwithstanding my previous election in the form of Appendix "E" to the Plan, I hereby elect that no portion of the Cash Fees accrued after the date hereof shall be paid in DSUs in accordance with Section 4.2 of the Plan.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan. I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date: _____ (Name of Participant)

(Signature of Participant)

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