



CANADA CARBON INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

December 17, 2025

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CANADA CARBON INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the “**Meeting**”) of the holders of the common shares (collectively, the “**Shareholders**” or individually, a “**Shareholder**”) of Canada Carbon Inc. (the “**Corporation**”) will be held at the offices of Aird & Berlis LLP, Brookfield Place, Suite 1800, 181 Bay Street, Toronto, Ontario, M5J 2T9 on Wednesday, January, 21, 2026 at the hour of 10:00 a.m. (Toronto time) for the following purposes:

1. to receive the annual audited financial statements of the Corporation for: (i) the financial years ended December 31, 2024 and 2023, together with the report of the auditor thereon; and (ii) the financial years ended December 31, 2023 and 2022, together with the report of the auditor thereon;
2. to elect the directors of the Corporation to hold office for the ensuing year, as more fully described in the accompanying management information circular dated December 17, 2025 (the “**Circular**”);
3. to appoint McGovern Hurley LLP, Chartered Accountants, as auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix its remuneration;
4. to consider and, if thought appropriate, pass, with or without variation, an ordinary resolution approving the adoption of the Corporation’s omnibus equity incentive plan, as more fully described in the accompanying Circular;
5. to consider and if thought appropriate, to pass with or without variation, a special resolution, authorizing and approving a consolidation (the “**Consolidation**”) of the common shares in the capital of the Corporation (the “**Common Shares**”) on the basis of up to (10) pre-Consolidation Common Shares for one (1) post-Consolidation Common Share, as determined by the board of directors of the Corporation in its sole discretion, and as more particularly described and set forth in the accompanying Circular; and
6. to transact such other business as may properly be brought before the meeting or any adjournment for adjournments thereof.

Accompanying this Notice of Annual and Special Meeting of Shareholders is the Circular and a form of proxy for Shareholders. A Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Corporation’s transfer agent and registrar, Computershare Trust Company of Canada, (a) by mail at Computershare, Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, (b) by logging onto Computershare’s website at www.investorvote.com, or (c) by calling the toll-free number 1-866-732-8683 or any other number indicated on the proxy form, by no later than 10:00 a.m. (Toronto time) on Monday, January 19, 2026 or if the Meeting is adjourned, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used.

Shareholders who wish to appoint a person other than the management nominees identified in the form of proxy must carefully follow the instructions in the Circular and on their form of proxy. These instructions include the additional step of registering the proxyholder with the Corporation’s transfer agent, Computershare Trust Company of Canada, after submitting the form of proxy.

The formal portion of the Meeting will be held in person at the above-noted address. Following the formal portion of the Meeting, Shareholders may virtually attend the informal portion of the Meeting through Microsoft Teams at the following coordinates:

[Join the meeting now](#)

Meeting ID: 287 867 173 326 92

Dial in by phone

[1 437-703-7440](tel:1437-703-7440), [774556812#](tel:774556812) Canada, Toronto

[Find a local number](#)

Phone conference ID: 774 556 812#

During the informal portion of the Meeting, Shareholders will be able to listen to the Meeting live and ask questions.

The record date for the determination of those Shareholders entitled to receive the Notice of Annual and Special Meeting of Shareholders and to vote at the Meeting was the close of business on Wednesday, December 17, 2025 (the “**Record Date**”).

The Shareholders of record as of the close of business on the Record Date will be entitled to receive this Notice of Annual Meeting of Shareholders and the accompanying Circular and to (virtually) attend and vote at the Meeting and any adjournment(s) or postponement(s) thereof.

DATED at Toronto, Ontario this 17th day of December, 2025

BY ORDER OF THE BOARD

“Ellerton Castor”

Ellerton Castor
Chief Executive Officer

CANADA CARBON INC.

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Canada Carbon Inc. (the “**Corporation**”) for use at the annual and special meeting (the “**Meeting**”) of holders (collectively, the “**Shareholders**” or individually, a “**Shareholder**”) of common shares in the capital of the Corporation (the “**Common Shares**”). This Circular and the attached Notice of Annual and Special Meeting of Shareholders (the “**Notice**”) describe the items to be voted on at the Meeting as well as the voting process and other relevant matters.

Except as noted below, the Corporation has distributed or made available for distribution, copies of the Notice, the Circular and form of proxy or voting instruction form (if applicable) (collectively, the “**Meeting Materials**”) to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “**Intermediaries**”) for distribution to Beneficial Shareholders (as defined below) whose Common Shares are held by or in custody of such Intermediaries. Such Intermediaries are required to forward such documents to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The Corporation has elected to pay for the delivery of the Meeting Materials to objecting Beneficial Shareholders by the Intermediaries. The Corporation is sending proxy-related materials directly to non-objecting Beneficial Shareholders, through the services of its transfer agent and registrar, Computershare Trust Company of Canada. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Corporation if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Corporation will pay the permitted fees and costs of Intermediaries incurred in connection with the distribution of the Meeting Materials. The Corporation is not relying on the notice-and-access provisions of securities laws for delivery of the Meeting Materials to registered Shareholders or Beneficial Shareholders.

APPOINTMENT AND REVOCATION OF PROXIES

A registered Shareholder can vote by proxy whether or not they attend the Meeting. The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. A registered Shareholder desiring to appoint some other person (who need not be a Shareholder) to represent him, her or it at the Meeting may do so either by inserting such person’s name in the blank space provided in the applicable form of proxy or by completing another proper form of proxy. In either case, a registered Shareholder can vote by proxy by delivering the completed proxy to the Corporation’s transfer agent and registrar, Computershare Trust Company of Canada, (a) by mail at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, (b) by voting online at www.investorvote.com, or (c) by calling the toll-free number 1-866-732-8683 or any other number indicated on the proxy form, by no later than 10:00 a.m. (Toronto time) on Monday, January 19, 2026 or if the Meeting is adjourned, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used.

A Shareholder has the right to revoke a proxy that has been submitted. To revoke a proxy, the Shareholder may deliver a written notice to the registered office of the Corporation at any time up to and including the last business day before the Meeting or any adjournment of the Meeting. The proxy may also be revoked on the day of the Meeting or any adjournment of the Meeting by delivering written notice to the chairman of the Meeting. In addition, the proxy may be revoked by any other method permitted by law.

The written notice of revocation may be executed by the Shareholder or by an attorney who has the Shareholder's written authorization. If the Shareholder is a corporation, the written notice must be executed by its duly authorized officer or attorney.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the accompanying form of proxy will vote the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. **In the absence of such direction, such Common Shares will be voted in favour of the passing of the matters set out in the Notice. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting or any adjournment thereof.** At the time of the printing of this Circular, the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. **However, if any other matters which at present are not known to the management of the Corporation should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.**

ADVICE TO BENEFICIAL SHAREHOLDERS

Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares, or non-objecting Beneficial Shareholders whose names have been provided to the Corporation's registrar and transfer agent, can be recognized and acted upon at the Meeting. The information set forth in this section is therefore of significant importance to a substantial number of Shareholders who do not hold their Common Shares in their own name (referred to in this section as "**Beneficial Shareholders**"). If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in such Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's Intermediary or an agent of that Intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co., as nominee for CDS Clearing and Depository Services Inc., which acts as a depository for many Canadian Intermediaries. Common Shares held by Intermediaries or their nominees can only be voted for or against resolutions upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting Common Shares for their clients.

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every Intermediary 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. Often the form of proxy supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided by the Corporation to the Intermediaries. However, its purpose is limited to instructing the Intermediary how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails the voting instruction forms or proxy forms to the Beneficial Shareholders and asks the Beneficial Shareholders to return the voting instruction forms or proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy or voting instruction form from Broadridge cannot use that proxy to vote Common Shares directly at the

Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their Intermediary, a Beneficial Shareholder may attend the Meeting as proxyholder for the Intermediary and vote their Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their own Common Shares as proxyholder for the Intermediary should enter their own names in the blank space on the management form of proxy or voting instruction form provided to them and return the same to their Intermediary (or the agent of such Intermediary) in accordance with the instructions provided by such Intermediary or agent well in advance of the Meeting. **Beneficial Shareholders should carefully follow the instructions of their Intermediaries and their service companies.**

All references to shareholders in this Circular and the accompanying form of proxy and Notice are to Shareholders of record unless specifically stated otherwise.

NOTE TO NON-OBJECTING BENEFICIAL OWNERS

The Meeting Materials are being sent to both registered and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Corporation or its agent has sent the Meeting Materials directly to you, your name and address and information about your holdings of Common Shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding Common Shares on your behalf. By choosing to send the Meeting Materials to you directly, the Corporation (and not the Intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Corporation fixed the close of business on Wednesday, December 17, 2025 as the record date (the “**Record Date**”) for the purposes of determining Shareholders entitled to receive the Notice and vote at the Meeting. As at the Record Date, 242,281,512 Common Shares carrying the right to one vote per share at the Meeting were issued and outstanding. The Corporation has no other class of voting securities.

To the knowledge of the directors and executive officers of the Corporation, as at the date of this Circular, there were no persons who beneficially own, or control or direct, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to the Common Shares.

SCHEDULE A DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Oversight and Description of Director and Named Executive Officer Compensation

The general objectives of the Corporation’s compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management’s interests with the long-term interests of shareholders; and (c) attract and retain highly qualified executive officers.

Elements of Compensation

Base Salary

Each Named Executive Officer (as such term is defined below) receives a base salary, which constitutes a significant portion of the Named Executive Officer's compensation package. Base salary is recognition for discharging day to day duties and responsibilities and reflects the Named Executive Officer's performance over time, as well as that individual's particular experience and qualifications. A Named Executive Officer's base salary is reviewed by the board of directors of the Corporation (the "**Board**") on an annual basis and may be adjusted to take into account performance contributions for the year and to reflect sustained performance contributions over a number of years.

Stock Options

Officers, directors, employees and consultants are eligible under the Corporation's rolling stock option plan (the "**Existing Option Plan**") to receive grants of stock options ("**Options**").

Options are granted by the Board. In monitoring or adjusting the Option allotments, the Board takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous Option grants and the objectives set for the Named Executive Officers. The scale of Options is generally commensurate to the appropriate level of base compensation for each level of responsibility. The Board will make these determinations subject to and in accordance with the provisions of the Existing Option Plan.

As at the date of this Circular, Options to purchase up to 6,259,000 Common Shares are issuable pursuant to previously granted Options (representing approximately 2.6% of the issued and outstanding Common Shares) and options to purchase up to a total of 17,969,151 Common Shares are available for grant under the Existing Option Plan (representing approximately 7.4% of the issued and outstanding Common Shares).

The Corporation is asking shareholders to approve the Corporation's new omnibus equity incentive plan (the "**Omnibus Plan**") approved by the Board on February 26, 2025, as set out in "*Particulars of Matters to be Acted Upon - Approval of Omnibus Equity Incentive Plan*". If the Omnibus Plan is approved by shareholders, the Omnibus Plan will replace the Existing Option Plan and will become the Corporation's only plan for providing equity-based incentive compensation to eligible directors, officers, employees and consultants.

Compensation of Directors

The independent directors of the Board will recommend how much, if any, cash compensation will be paid to directors for services rendered by directors, in such capacity, to the Corporation. The directors of the Corporation may be paid cash compensation commensurate with the prevailing level of compensation for directors in the same industry in which the Corporation operates.

Named Executive Officers who also act as directors of the Corporation will not receive any additional compensation for services rendered in such capacity, other than as paid by the Corporation to such Named Executive Officers in their capacity as executive officers.

Compensation Governance

The independent members of the Board (the “**Independent Members**”) have the responsibility for determining compensation for the Board and the Named Executive Officers. Greg Lipton, Bruce Coventry, Arran Thorpe and Pieter Barnard are “independent” as such term is defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”).

The Independent Members meet on compensation matters as and when required with respect to executive compensation. The primary goal of the meetings of Independent Members as they relate to compensation matters is to ensure that the compensation provided to the Named Executive Officers is determined with regard to the Corporation’s business strategies and objectives, such that the financial interest of the executive officers is aligned with the financial interests of shareholders, and to ensure that their compensation is fair and reasonable and sufficient to attract and retain qualified and experienced executives. The Independent Members are given the authority to engage and compensate any outside advisor that the Independent Members determine to be necessary to carry out their duties.

To determine compensation payable, the Independent Members review compensation paid to directors and Chief Executive Officers of companies of similar size and stage of development in the mineral exploration industry and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Corporation. In setting the compensation, the Independent Members annually review the performance of the Chief Executive Officer in light of the Corporation’s objectives and consider other factors that may have impacted the success of the Corporation in achieving its objectives.

As a whole, the Independent Members have direct experience and skills relevant to their responsibilities in executive compensation, including with respect to enabling the Independent Members in making informed decisions on the suitability of the Corporation’s compensation policies and practices. Each of the Independent Members has experience on the board of directors and related committees of other companies, as described under “Particulars of Matters to be Acted Upon - Election of Directors” in this Circular.

Executive Compensation-Related Fees

In the financial years ending December 31, 2024 and 2023, neither the Board nor the Independent Members retained a compensation consultant or advisor to assist the Board or the Independent Members in determining the compensation of any of the Corporation’s executive officers or directors.

Summary Compensation Table

In this section, “**Named Executive Officer**” or “**NEO**” means: (a) the Chief Executive Officer; (b) the Chief Financial Officer, and (c) the Corporation’s most highly compensated executive officers, including any of the Corporation’s subsidiaries, or the most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(5) of Form 51-102F6V Statement of Executive Compensation – Venture Issuers, for that financial year; and (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity at the end of the most recently completed financial year. For the fiscal year ended December 31, 2024, the Corporation had two (2)

“executive officers” as such term is defined in National Instrument 51-102 – Continuous Disclosure Obligations (“**NI 51-102**”) whose compensation must be disclosed for such financial year, being Ellerton Castor and Remantra Sheopaul.

The following table (presented in accordance with National Instrument Form 51-102F6V – Statement of Executive Compensation – Venture Issuers) sets forth all annual and long-term compensation for services paid to or earned by each Named Executive Officer and director for the two most recently completed financial years ended December 31, 2024 and 2023:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Ellerton Castor ⁽¹⁾ Chief Executive Officer and Director	2024	342,780	89,931	Nil	Nil	Nil	432,711
	2023	345,785	83,573	Nil	Nil	Nil	421,666
Remantra Sheopaul, Chief Financial Officer ⁽²⁾	2024	95,048	Nil	Nil	Nil	Nil	95,048
	2023	24,361	Nil	Nil	Nil	Nil	24,361
Greg Lipton Director ⁽³⁾	2024	12,000	Nil	Nil	Nil	Nil	12,000
	2023	12,000	Nil	Nil	Nil	Nil	12,000
Bruce Coventry Director ⁽³⁾	2024	12,000	Nil	Nil	Nil	Nil	12,000
	2023	12,000	Nil	Nil	Nil	Nil	12,000
Pieter Barnard Director ⁽³⁾	2024	12,000	Nil	Nil	Nil	Nil	12,000
	2023	12,000	Nil	Nil	Nil	Nil	12,000
Arran Thorpe Director ⁽³⁾⁽⁴⁾	2024	12,000	Nil	Nil	Nil	Nil	12,000
	2023	12,000	Nil	Nil	Nil	Nil	12,000

Notes:

- (1) Mr. Castor was appointed as a director and as Chief Executive Officer of the Corporation on December 1, 2021.
- (2) Mr. Sheopaul was appointed as Chief Financial Officer of the Corporation on April 29, 2022.
- (3) Compensation of \$1,000 per month was payable to the directors of the Corporation in their capacity as directors beginning January 1, 2015. The directors of the Corporation are eligible to receive options to purchase Common Shares pursuant to the terms of the Existing Option Plan.
- (4) Mr. Thorpe was elected as a director at the Corporation’s annual general meeting held on January 24, 2023.

Stock Option and Other Compensation Securities

During the year ended December 31, 2024, no incentive plan awards were granted to the directors and Named Executive Officers.

Exercise of Compensation Securities by Directors and Named Executive Officers

During the year ended December 31, 2024, no incentive plan awards were exercised by the directors and Named Executive Officers.

Employment, Consulting and Management Agreements

Ellerton Castor

On December 1, 2021, the Corporation entered into an employment agreement (the “**Castor Agreement**”) with Ellerton Castor. Pursuant to the Castor Agreement, Mr. Castor’s salary is US\$250,000 annually. In addition, Mr. Castor is entitled to a bonus of up to 25% of his annual salary and stock option grants as determined by the Board. Furthermore, the Corporation reimburses Mr. Castor for reasonable out-of-pocket expenses incurred by him on behalf of the Corporation. The Castor Agreement has a term of two (2) years and is subject to automatic renewals for successive one (1) year terms.

If the Castor Agreement is terminated by the Corporation without cause or as a result of a “triggering event”, then the Corporation will be required to pay Mr. Castor an amount equal to US\$250,000. For the purposes of the Castor Agreement, a “triggering event” includes (i) a successful take-over bid of the Corporation by another entity, (ii) a change of control of the Board, being the election by the Corporation’s shareholders of more than a majority of directors put forward by the Corporation, (iii) the sale of substantially all of the assets of the Corporation, (iv) the sale, exchange or disposition of a majority of the outstanding Common Shares, (v) the termination of the Corporation’s business or liquidation of its assets, or (vi) a merger or amalgamation where the Corporation’s shareholders prior to such transaction hold less than 51% of the resulting issuer after the closing of the transaction.

In addition to the foregoing, in the event of a “triggering event” or termination without cause, any options held by Mr. Castor under the Existing Option Plan shall immediately become vested and exercisable and the options shall remain exercisable for the remainder of their term.

“Just Cause” means any conduct by Mr. Castor which would constitute just cause for dismissal as recognized by law, and includes, without limitation: (i) any misconduct by Mr. Castor and any willful breach or non-observance by him of his fiduciary duty and/or any of his obligations pursuant to his mandate from the Board as outlined in the Castor Agreement; and/or (ii) any willful misconduct, disobedience, or willful neglect of duty that is not trivial and has not been condoned by the Corporation.

Remantra Sheopaul

On April 29, 2022, Mr. Remantra Sheopaul entered into a consulting agreement among the Corporation and Marrelli Support Services Inc. (the “**Consultant**”). The Corporation agreed to pay the Consultant, in consideration of the provision by the Consultant of consulting services to the Corporation the sum of \$1,250 per month for the services of Mr. Sheopaul as the Chief Financial Officer of the Corporation who shall undertake those duties and responsibilities normally associated with the position of Chief Financial Officer, including the preparation of all financial statements and management discussion and analysis reports, and \$2,551 per month for all accounting services to the Corporation. The head office address of the Consultant is 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding the number of Common Shares to be issued upon the exercise of outstanding options and the weighted-average exercise price of the outstanding options in connection with the Existing Option Plan as at December 31, 2024:

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of Common Shares remaining available for future issuance under equity compensation plans
	#	\$	#
Equity compensation plans approved by security holders	6,659,000	\$0.12	17,969,151
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	6,659,000	\$0.12	17,969,151

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular, no individual who is an executive officer, director, employee or former executive officer, director or employee of the Corporation or any of its subsidiaries is indebted to the Corporation or any of its subsidiaries pursuant to the purchase of securities or otherwise.

No individual who is, or at any time during the financial year ended December 31, 2024 was, a director or executive officer of the Corporation, a proposed management nominee for election as a director of the Corporation, or an associate of any such director, executive officer or proposed nominee, was indebted to the Corporation during the financial year ended December 31, 2024 or as at the date of this Circular in connection with security purchase programs or other programs.

REPORT ON CORPORATE GOVERNANCE

Maintaining a high standard of corporate governance is a priority for the Board and the Corporation's management, as both believe that effective corporate governance will help create and maintain shareholder value in the long term. A description of the Corporation's corporate governance practices, which addresses the matters set out in NI 58-101, is set out in Schedule "A" to this Circular.

AUDIT COMMITTEE

The primary purpose of the audit committee of the Board (the "**Audit Committee**") is to assist the Board in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control over financial reporting and accounting compliance, the audit process and processes for identifying, evaluating and monitoring the management of the Corporation's principal risks impacting financial reporting. The Audit Committee also assists the Board with the oversight of financial strategies and overall risk management.

The Audit Committee is composed of Greg Lipton, Bruce Coventry, Arran Thorpe and Pieter Barnard, each of whom is a director of the Corporation. In accordance with Policy 3.1 of the TSXV Venture Exchange Corporate Finance Manual (the "**Manual**"), the majority of the Audit Committee are not employees, Control Persons or Officers of the Corporation (as such terms are defined in the Manual), or any of its Associates or Affiliates.

A majority of the members of the Audit Committee are "independent" as such term is defined in National Instrument 52-110 – Audit Committees ("**NI 52-110**"). All members of the Audit Committee are "financially

literate” as such term is defined in NI 52-110. A copy of the charter of the Audit Committee (the “**Audit Committee Charter**”) is attached as Schedule “B” to this Circular.

Relevant Education and Experience

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

Greg Lipton

Greg Lipton has 35 years of industry experience, including from 2004 to July 2013, holding the position of President and Chief Executive Officer of Metallum Resources Inc. This position required a working knowledge of internal controls and financial reporting and associated statements, and required Mr. Lipton to routinely interact with Metallum’s accountants and auditors. As such, Mr. Lipton has the requisite experience and an in-depth understanding of corporate financial statements.

Bruce Coventry

Bruce Coventry holds a Masters in Business Administration from Michigan State University, and has over 40 years of industrial experience, including since 2001, the position of President or Chief Executive Officer of several public and private firms. These positions have required a working knowledge of internal controls and financial reporting and associated statements, and have required Mr. Coventry to routinely interact with accountants and auditors. Mr. Coventry is also a Trustee of Kettering University, and a five year member of the university’s Finance and Audit Committee. As such, Mr. Coventry has the requisite experience and an in-depth understanding of corporate financial statements.

Pieter Barnard

Pieter Barnard holds an MBA. As Chief Executive Officer and President for business segments and international affiliates of GrafTech International and its predecessors, Mr. Barnard oversaw P&L responsibilities for 23 years. Mr. Barnard also held the positions of Chairman of the GrafTech Italy Finance Committee, Chairman of the Vaal Triangle Technical College and the National Occupational Safety Association Finance Committees in South Africa.

Arran Thorpe

Mr. Thorpe is President and Director of Skyway Sports Center, a private company, and has been an advisor and consultant in the payment processing systems space for the past nine (9) years. For the last 15 years, Mr. Thorpe has been a priest for the Anglican Church, and sits on the international board for The Episcopal Network on Stewardship, the American and Canadian arm of the Church focused on Stewardship and Philanthropy. Mr. Thorpe also has several years of experience in fundraising, private corporate governance, charity work and community outreach.

Mr. Thorpe's private sector work experience includes: President, Skway Sports Center LTD, Vancouver, BC. July 2022 (Private Company); Director, Skyway Sports Center LTD Vancouver, BC. September 2020 (Private Company); and consultancy assignment with Payment Processing Systems, GLG, Alpha Sights, and Third Bridge.

Mr. Thorpe holds a Master of Divinity (M.Div.) from The Atlantic School of Theology in Canada, where he wrote a Master's Thesis, "Money and Faith". Additionally, he holds a Bachelor of Arts degree from Saint Mary's University, Halifax, NS, where he majored in International Development Studies, with minors in Political Science and Economics.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Corporation's external auditors not been adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on exemptions in relation to "*De Minimis Non-audit Services*" or any exemption provided by Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

Pursuant to the terms of the Audit Committee Charter, the Audit Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.

External Auditor Service Fees (By Category)

- (a) *Audit Fees* - The Corporation's external auditors billed the Corporation approximately \$23,487 and \$21,400 during the financial years ended December 31, 2024 and 2023, respectively, for audit fees.
- (b) *Audit-Related Fees* – The Corporation's external auditors did not bill the Corporation any amount during the financial years ended December 31, 2024 and 2023, respectively, for audit-related fees related to financing activities.
- (c) *Tax Fees* – The Corporation's external auditors billed approximately \$6,045 and \$6,420 during the financial years ended December 31, 2024 and 2023, respectively, for tax fees.
- (d) *All Other Fees* – The Corporation's external auditors did not bill the Corporation any amounts during the financial years ended December 31, 2024 and 2023, respectively, related to professional services rendered in connection with various financial matters.

Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No "informed person" (as such term is defined in NI 51-102) or proposed nominee for election as a director of the Corporation or any associate or affiliate of the foregoing has any material interest, direct

or indirect, in any transaction in which the Corporation has participated since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Election of Directors

The Board currently has five (5) directors, consisting of Ellerton Castor, Greg Lipton, Bruce Coventry, Dr. Pieter J. Barnard and Arran Thorpe. Each person will be nominated at the Meeting for election as a director of the Corporation to hold office until the next annual meeting of Shareholders or until his successor is duly elected or appointed pursuant to the by-laws of the Corporation. The enclosed form of proxy permits Shareholders to vote for each nominee on an individual basis.

UNLESS THE SHAREHOLDER SPECIFIES IN THE ENCLOSED FORM OF PROXY THAT THE COMMON SHARES REPRESENTED BY THE PROXY ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS, THE PERSON NAMED IN THE FORM OF PROXY SHALL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF THE ELECTION OF THE PERSONS WHOSE NAMES ARE SET FORTH BELOW. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. HOWEVER, IF FOR ANY REASON, ANY OF THE PROPOSED NOMINEES DO NOT STAND FOR ELECTION OR ARE UNABLE TO SERVE. AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT DESIGNEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS OR HER PROXY THAT HIS OR HER COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS.

The Corporation's By-Law No. 1, as amended pursuant to By-Law No. 1A, contains a requirement providing for advance notice of nominations of directors in certain circumstances where nominations for election to the Board are made by Shareholders. For an annual meeting of Shareholders, notice to the Corporation must be provided not less than 30 and not more than 65 days prior to the date of the annual meeting; save and except where the annual meeting is to be held on a date less than 50 days after the date on which the first public announcement of the date of such annual meeting was made, in which event notice may be given not later than the close of business on the 10th day following such public announcement. For a special meeting of Shareholders (that is not also an annual meeting), notice to the Corporation must be given not later than the close of business on the 15th day following the day on which the first public announcement of the date of such special meeting was made. The Corporation's By-Law No. 1, as amended by By-Law No. 1A, is available under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

The following tables set out certain information as at the date of this Circular (unless otherwise indicated) with respect to the persons being nominated at the Meeting for election as directors. Information regarding Common Shares owned by each director of the Corporation is presented to the best knowledge of management of the Corporation and has been furnished to management of the Corporation by such directors.

ELLERTON CASTOR			Principal Occupation and Biographical Information		
Florida, USA Director Since: December 1, 2021 NOT INDEPENDENT		Ellerton Castor has over 30 years of experience in principal investing, investment banking and M&A advisory services to companies in the US, Canada, Europe, Australasia, and Latin America. Immediately before joining the Corporation, he was Chief Executive Officer of Ontario Graphite Limited, a prior-producing graphite mining company based in Toronto, Canada. He led the licensing and permitting process, oversaw the development of the definitive feasibility study, negotiated all engineering, procurement and construction management agreements and led a capital raise of US\$65 million. Prior positions include: Managing Director of SphereInvest Special Situations Fund; Founder and Managing Partner of Panterra Partners, LLC, a restructuring advisory and capital raising firm; Managing Director, Latin America M&A and Merchant Banking - Banc of America Securities (where Mr. Castor advised companies such as Vale (formerly, CVRD), and CSN); Executive Director, Global M&A and Financial Institutions Groups - CIBC Oppenheimer; and Senior Associate Corporate Finance & M&A - Morgan Stanley. Mr. Castor holds an MBA from Harvard Business School and a BA in Economics and History, Summa Cum Laude, from Franklin Pierce University.			
Current Board/Committee Membership		Number of Common Shares Beneficially Owned, Controlled or Directed		Other Public Board Memberships	
Member of the Board		859,484		None	

GREG LIPTON			Principal Occupation and Biographical Information		
Ontario, Canada Director Since: May 2, 2011 INDEPENDENT		Greg Lipton held the position of President and Chief Executive Officer of Metallum Resources Inc. (formerly, Young-Shannon Gold Mines Limited) from November, 2004 until July, 2013. Mr. Lipton is a graduate in geology from the University of Western Ontario, a registered practicing Professional Geoscientist with the Association of Professional Geoscientists of Ontario (APGO), a long-time member of the Prospectors and Developers Association of Canada (PDAC), and a member of the Canadian Institute of Mining (CIM). Mr. Lipton has more than 35 years of field experience in international exploration for base metal and precious metal deposits including 21 years with BHP International.			
Current Board/Committee Membership		Number of Common Shares Beneficially Owned, Controlled or Directed		Other Public Board Memberships	
Member of the Board Member of the Audit Committee Member of the Governance Committee		Nil		None	

BRUCE COVENTRY		Principal Occupation and Biographical Information	
Michigan, USA Director Since: September 17, 2012 INDEPENDENT	<p>Bruce Coventry is an automotive executive with over 40 years over experience, having served at General Motors, Ford, Chrysler, and several private equity owned automotive component firms. Mr. Coventry is currently President of Coventry Consulting Inc., an independent consulting service which provides expert advice in the areas of technology implementation and other operational improvement services. Mr. Coventry was formerly the Managing Partner of Troy-based motormindz consulting group. Mr. Coventry was formerly Chairman of the board of directors of TowerSec LLC, a privately owned, Detroit/Israeli based Automotive Cyber Security company which was acquired by Harman. Previously, Mr. Coventry was Vice President of Operations at Electrovaya, a Canadian large-format lithium ion battery manufacturer. Mr. Coventry was previously President of Dresser Waukesha Engine prior to the sale of Waukesha to General Electric, and was President of Global Electric Motorcar, a wholly-owned subsidiary of Chrysler LLC. Mr. Coventry was also the President and non-Executive Chairman of the Global Engine Manufacturing Alliance, a joint venture between Chrysler, Hyundai and Mitsubishi, and was responsible for all joint venture activities between the three companies. Mr. Coventry also was the Vice President of Powertrain Manufacturing for DaimlerChrysler's \$5 Billion Powertrain Division. Mr. Coventry is a current trustee and a past Chairman of the Board of Trustees of Kettering University in Flint, Michigan.</p>		
Current Board/Committee Membership	Number of Common Shares Beneficially Owned, Controlled or Directed	Other Public Board Memberships	
Member of the Board Member of the Audit Committee Member of the Governance Committee	Nil	None	

DR. PIETER J BARNARD		Principal Occupation and Biographical Information	
Missouri, USA Director Since: November 1, 2015 INDEPENDENT	<p>Dr. Barnard retired in November 2014 as President for the global Industrial Materials division of GrafTech International Holdings Inc. (formerly NYSE: GTI) ("GrafTech International"). Dr. Barnard was a Reporting Officer for GrafTech International and served as chairman and as a board member for several of GrafTech's International's affiliates. He gained extensive international experience traveling to many countries across the globe and working in South Africa, Europe and the USA. Dr. Barnard was appointed President, Graphite Electrodes of GrafTech International in April 2005 and President Industrial Materials in April 2008. In these roles, he led the division that manufactures a broad range of high quality graphite electrodes, petroleum needle coke and graphite/carbon refractory products, increasing sales from US\$600 million to over US\$1 billion, and EBITDA from US\$130 million to US\$350 million. In addition to his role as President for Industrial Materials, Dr. Barnard also managed several corporate functions within GrafTech International, providing services to both divisions and the corporate group. These included Health Safety and Environmental Protection, Worldwide Engineering and Procurement.</p> <p>Dr. Barnard started his own consulting firm, PJB Consulting, after retirement providing consulting services for Private Equity and Public Companies in the Synthetic Graphite, Natural Graphite, Li-Ion Battery, Steel, and Petrochemical industries.</p> <p>Dr. Barnard is currently serving on the Advisory Board for Anovion Technologies, LLC.</p>		

Current Board/Committee Membership	Number of Common Shares Beneficially Owned, Controlled or Directed	Other Public Board Memberships
Member of the Board Member of the Audit Committee Member of the Governance Committee	Nil	None

ARRAN THORPE		
Principal Occupation and Biographical Information		
Halifax, Canada Director Since: January 24, 2023 INDEPENDENT	<p>Mr. Thorpe is President and Director of Skyway Sports Center, a private company, and has been an advisor and consultant in the payment processing systems space for the past nine (9) years. For the last 15 years, Mr. Thorpe has been a priest for the Anglican Church, and sits on the international board for The Episcopal Network on Stewardship, the American and Canadian arm of the Church focused on Stewardship and Philanthropy. Mr. Thorpe also has several years of experience in fundraising, private corporate governance, charity work and community outreach.</p> <p>Mr. Thorpe's private sector work experience includes: President, Skway Sports Center LTD, Vancouver, BC. July 2022 (Private Company); Director, Skyway Sports Center LTD Vancouver, BC. September 2020 (Private Company); and consultancy assignment with Payment Processing Systems, GLG, Alpha Sights, and Third Bridge.</p> <p>Mr. Thorpe holds a Master of Divinity (M.Div.) from The Atlantic School of Theology in Canada, where he wrote a Master's Thesis, "Money and Faith". Additionally, he holds a Bachelor of Arts degree from Saint Mary's University, Halifax, NS, where he majored in International Development Studies, with minors in Political Science and Economics.</p>	
Current Board/Committee Membership	Number of Common Shares Beneficially Owned, Controlled or Directed	Other Public Board Memberships
Member of the Board Member of the Audit Committee	215,553	None

Corporate Cease Trade Orders

To the knowledge of the Corporation, no proposed director is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an "Order"), which Order was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company.

Bankruptcies, or Penalties or Sanctions

Except as disclosed below, to the knowledge of the Corporation, no proposed director:

- (c) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (d) has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets;
- (e) has been subject to 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
- (f) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

On February 12, 2020, the Ontario Superior Court of Justice (Commercial List) issued an order (the “**Initial Order**”) appointing Deloitte Restructuring as monitor of Ontario Graphite, Ltd (“**OGL**”), a privately held mining company, pursuant to the *Companies’ Creditors Arrangement Act*, for the purpose of commencing a court-supervised sale and investment solicitation process in respect of OGL’s assets, undertakings and properties (collectively, the “**Property**”). Ellerton Castor was the Chief Executive Officer and Chief Financial Officer of OGL at the time of the Initial Order. Mr. Castor resigned in November 2021. Bold Global Advisory Ltd. acquired the Property on April 25, 2022, concluding the court-supervised proceedings.

On September 18, 2023, Lightning eMotors, Inc. (“**Lightning eMotors**”), a company of which Bruce Coventry was a director, received notice from the New York Stock Exchange (the “**NYSE**”) indicating that the staff determined to suspend trading immediately and commence proceedings to delist the shares of common stock and redeemable warrants of Lightning eMotors from the NYSE. The decision was reached by the NYSE staff because Lightning eMotors had fallen below the NYSE’s continued listing standard requiring listed companies to maintain an average global market capitalization of at least \$15 million over a consecutive 30-trading day period. On December 15, 2023, the District Court, Larimer County, State of Colorado (the “**Court**”), appointed Cordes & Company as receiver (the “**Receiver**”) over Lightning eMotors and its wholly-owned subsidiary, Lightning Systems, Inc. (collectively, “**Lightning**”) following a motion by one of its creditors. The Receiver was granted powers and authority to take possession of, and protect and preserve, all of the assets of Lightning, and administer the estate in accordance with Rule 66 of the Colorado Rules of Civil Procedure. Accordingly, the Receiver was empowered to sell all of the assets of Lightning and distribute the proceeds of such sale to Lightning’s creditors in a manner approved by the Court. Mr. Coventry resigned from the board of directors of Lightning eMotors effective as of December 15, 2023.

The foregoing information, not being within the knowledge of the Corporation, has been furnished by the proposed directors.

2. **Appointment of Auditor**

Management proposes to nominate McGovern Hurley LLP, Chartered Accountants, to hold office until the next annual meeting of Shareholders.

IT IS INTENDED THAT THE COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF MCGOVERN HURLEY LLP, CHARTERED ACCOUNTANTS, AS AUDITOR OF THE CORPORATION AND AUTHORIZING THE DIRECTORS TO FIX ITS REMUNERATION. AN AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTES CAST BY SHAREHOLDERS AT THE MEETING IS SUFFICIENT FOR THE APPOINTMENT OF THE AUDITOR.

3. **Approval of Omnibus Equity Incentive Plan**

The Corporation is seeking Shareholder approval to replace the Existing Option Plan with the Omnibus Plan, which was adopted by the Board on February 26, 2025. The Board determined that it is desirable to have a wide range of incentive Awards to attract, retain and motivate Employees, Directors, Officers and Consultants of the Corporation (as such terms are defined in the Omnibus Plan). The Omnibus Plan permits the grant of Options, DSUs, RSUs, PSUs, and Other Share-Based Awards to eligible Participants (as defined in the Omnibus Plan).

Upon approval by Shareholders and the TSX Venture Exchange, the Omnibus Plan shall replace the Existing Option Plan and will continue to be effective until the date it is terminated by the Board in accordance with the Omnibus Plan. All Options previously granted under the Existing Stock Option Plan will be governed by the terms of the Omnibus Plan.

The following summary of the Omnibus Plan is qualified in its entirety by reference to the full text of the Omnibus Plan, attached as Schedule "C" to this Circular and is subject to the approval of the TSX Venture Exchange.

Purpose

The purpose of the Omnibus Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified Directors, Officers, Employees and Consultants to reward such of those Directors, Officers, Employees and Consultants as may be granted Awards under the Omnibus Plan by the Board from time to time for their contributions toward the long term goals and success of the Corporation and to enable and encourage such Directors, Officers, Employees and Consultants to acquire Common Shares as long term investments and proprietary interests in the Corporation.

Types of Awards

The Omnibus Plan provides for the grant of Awards which may be denominated or settled in Common Shares, cash or in such other forms as provided for in the Omnibus Plan. All Awards will be evidenced by an agreement or other instrument or document (an "**Award Agreement**").

Plan Administration

The Omnibus Plan will be administered by the Board, which may delegate its authority to any duly authorized committee of the Board (the “**Plan Administrator**”). The Plan Administrator has sole and complete authority, in its discretion, to:

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

Common Shares Available for Awards

The Omnibus Plan is a “rolling up to 10% and fixed up to 10%” Security Based Compensation Plan, as defined in Policy 4.4 - *Security Based Compensation* of the Exchange. The Omnibus Plan is a: (a) “rolling” plan pursuant to which the number of Common Shares that are issuable pursuant to the exercise of Options (including the existing Options) granted under the Omnibus Plan shall not exceed 10% of the issued and outstanding Common Shares as at the date of any Option grant; and (b) “fixed” plan under which the number of Common Shares that are issuable pursuant to all Awards other than Options granted under the Omnibus Plan and under any other security based compensation arrangement, in aggregate is a maximum of 24,228,151 Common Shares, in each case, subject to adjustment as provided in the Omnibus Plan and any subsequent amendment to the Omnibus Plan.

The aggregate number of Common Shares: (a) issued to any one Consultant within any one-year period, under all of the Corporation’s security based compensation arrangements, may not exceed 2% of the Corporation’s total issued and outstanding Common Shares; (b) issued to any one individual within any one-year period, under all of the Corporation’s security based compensation arrangements may not exceed 5% of the Corporation’s total issued and outstanding Common Shares, unless disinterested shareholder approval has been obtained; (c) issued to Persons employed to provide investor relations services within any one-year period, under all of the Corporation’s security based compensation arrangements, may not exceed 2% of the Corporation’s total issued and outstanding Common Shares; (d) issuable to Insiders (as defined in the Omnibus Plan) at any time under all of the Corporation’s security based compensation arrangements may not exceed 10% of the Corporation’s total issued and outstanding Common Shares, unless disinterested shareholder approval has been obtained; and (e) issued to Insiders within any one-year period, under all of the Corporation’s security based compensation arrangements may not exceed 10% of the Corporation’s total issued and outstanding Common Shares, unless disinterested shareholder approval has been obtained.

Blackout Period

In the event that the Award Date (as defined in the Omnibus Plan) occurs, or an Award expires, during a Black-Out Period (as defined herein), the effective Award Date for such Award, or expiry of such Award, as the case may be, will be no later than 10 business days after the last day of the Black-Out Period, and the Market Price (as defined in the Omnibus Plan) with respect to the grant of such Award shall be calculated based on the VWAP of the five business days after the last day of the Black-Out Period. For the purposes hereof, a “**Black-Out Period**” means that period during which a trading black-out period is imposed by the Corporation to restrict trades in the Corporation’s securities by a Participant.

Description of Awards

Subject to the provisions of the Omnibus Plan and such other terms and conditions as the Plan Administrator may prescribe, including with respect to performance and vesting conditions, the Plan Administrator may, from time to time, grant the following types of Awards to any Participant.

(a) Options

An Option entitles a holder thereof to purchase a Common Share at an exercise price set at the time of the grant, such price must in all cases be not less than the Market Price on the relevant date. Each Option will expire on the expiry date specified in the Award Agreement (which shall not be later than the 10th anniversary of the date of grant) or, if not so specified, means the 10th anniversary of the date of grant.

A Participant or the Personal Representative of the Participant (as defined in the Omnibus Plan) may elect to exercise such Options on a cashless basis, which means the exercise of an Option where the Corporation has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to the Participant to purchase the Common Shares underlying the Option and then the brokerage firm sells a sufficient number of Common Shares to cover the exercise price of the Option in order to repay the loan made to the Participant and receives an equivalent number of Common Shares from the exercise of the Options as were sold to cover the loan and the Participant then receives the balance of the Common Shares or the cash proceeds from the balance of the Common Shares.

Other than a person conducting investor relations activities, a Participant or the Personal Representative of the Participant may elect to exercise an Option without payment of the aggregate exercise price of the Common Shares to be purchased pursuant to the exercise of the Option (a “**Net Exercise**”) by delivering a net exercise notice to the Plan Administrator. Upon receipt by the Plan Administrator of a net exercise notice from a Participant or Personal Representative of a Participant, the Corporation shall calculate and issue to such Participant or Personal Representative of such Participant that number of Common Shares as is determined by application of the following formula:

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

Where:

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

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

A = the VWAP as at the date of the net exercise notice, if such VWAP is greater than the exercise price

B = the exercise price of the Options being exercised

(b) Deferred Share Units

A DSU is a unit that vests one year or more following a grant but does not settle until a future date after the vesting, generally as established in the Award Agreement, or if not so established, then upon termination of service with the Corporation. The number of DSUs (including fractional DSUs) granted at any particular time will be calculated by dividing (a) the amount of any compensation that is to be paid in DSUs, as determined by the Plan Administrator by (b) the Market Price on the relevant date.

DSUs shall be settled on the date established in the Award Agreement; provided, however that in no event shall a DSU be settled prior to, or later than one year following, the date of the applicable Participant’s separation from service. Subject to the terms of the Omnibus Plan, and except as otherwise provided in an Award Agreement, on the settlement date for any DSU, the Participant will redeem each vested DSU for a Common Share, a cash payment, or a combination thereof.

Unless otherwise determined by the Plan Administrator and set forth in the particular Award Agreement, DSUs will be credited with dividend equivalents in the form of additional DSUs as of each dividend payment date in respect of which normal cash dividends are paid on Common Shares. Dividend equivalents will vest in proportion to the DSUs to which they relate and will be settled in the same manner as the DSUs.

(c) Restricted Share Units

An RSU is a unit equivalent in value to a Common Share that does not vest until after a specified period, or satisfaction of other vesting conditions as determined by the Plan Administrator. The number of RSUs (including fractional RSUs) granted at any particular time will be calculated by dividing (a) the amount of any compensation that is to be paid in RSUs, as determined by the Plan Administrator, by (b) the Market Price of a Common Share on the relevant date.

The Plan Administrator will have the sole authority to determine the settlement terms applicable to the grant of RSUs. Subject to the terms of the Omnibus Plan, and except as otherwise provided in an Award Agreement, on the settlement date for any RSU, the Participant will redeem each vested RSU for a Common Share, a cash payment, or a combination thereof.

Unless otherwise determined by the Plan Administrator and set forth in the particular Award Agreement, RSUs will be credited with dividend equivalents in the form of additional RSUs as of each dividend payment date in respect of which normal cash dividends are paid on Common Shares. Dividend equivalents will vest in proportion to the RSUs to which they relate and will be settled in the same manner as the RSUs.

(d) Performance Share Units

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

Each PSU will consist of a right to receive a Common Share, cash payment, or a combination thereof, upon the achievement of such performance goals during such performance periods as the Plan Administrator may establish.

(e) Other Share-Based Awards

Each Other Share-Based Award shall consist of a right (a) which is other than an Award or right described above, and (b) which is denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Common Shares (including, without limitation, securities convertible into Common Shares) as are deemed by the Plan Administrator to be consistent with the purposes of the Omnibus Plan; provided, however, that such right will comply with applicable law. Subject to the terms of the Omnibus Plan and any applicable Award Agreement, the Plan Administrator will determine the terms and conditions of Other Share-Based Awards.

Effect of Termination on Awards

The following table describes the impact of certain events upon the Participants under the Omnibus Plan, including termination for cause, resignation, termination without cause, disability, death or retirement,

subject, in each case, to the terms of a Participant's employment agreement, Award Agreement or other written agreement:

Event Provisions	Provisions
Termination for cause	Forfeiture of any unexercised Option or other Award.
Resignation	Forfeiture of any unexercised Option or other Award
Termination without cause	Any Option or other Award that is not vested as of the termination date shall be cancelled. Vested Options or other Awards may be exercised at any time during the period that terminates on the earlier of: (A) the expiry date of such Award; and (B) 90 days after the termination date (or such other period as may be determined by the Board, provided such period is not more than one year following the termination date).
Death	Any Option or other Award that has not vested as of the date of the death of such Participant shall terminate. Vested Options or other Awards may be exercised at any time during the period that terminates on the earlier of: (A) the expiry date of such Award; and (B) the six month anniversary of the date of the death of the Participant.
Disability	Any Option or other Award that has not vested as of the date of the disability of such Participant shall terminate. Vested Options or other Awards may be exercised at any time during the period that terminates on the earlier of: (A) the expiry date of such Award; and (B) the six month anniversary of the date of disability of the Participant.

Notwithstanding the foregoing, the Plan Administrator may, in its discretion, permit the acceleration of vesting of any or all Awards or waive termination of any or all Awards, all in the manner and on the terms as may be authorized by the Plan Administrator.

Except as may be set forth in an employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant or as set out in the Omnibus Plan, the Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause:

- (a) the conversion or exchange of any outstanding Awards into or for, rights or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control (as defined in the Omnibus Plan);
- (b) outstanding Awards to vest and become exercisable, realizable or payable, or restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control;
- (c) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights as of the date of the occurrence of

the transaction net of any exercise price payable by the Participant (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction, the Plan Administrator determines, in good faith, that no amount would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights net of any exercise price payable by the Participant, then such Award may be terminated by the Corporation without payment);

- (d) the replacement of such Award with other rights or property selected by the Board in its sole discretion; or
- (e) any combination of the foregoing. In taking any of the foregoing actions, the Plan Administrator will not be required to treat all Awards similarly in the transaction.

Notwithstanding the foregoing, and unless otherwise determined by the Plan Administrator or as set out in the Omnibus Plan, if, as a result of a Change in Control, the Common Shares will cease trading on a stock exchange, the Corporation may terminate all of the Awards granted under the Omnibus Plan at the time of and subject to the completion of the Change in Control by paying to each holder an amount for each Award equal to the fair market value of the Award held by such Participant as determined by the Plan Administrator, acting reasonably.

Assignability

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

Amendment, Suspension or Termination of the Omnibus Plan

The Plan Administrator may from time to time, without notice and without approval of the Shareholders, amend, modify, change, suspend or terminate the Omnibus Plan or any Awards granted pursuant thereunder as it, in its discretion, determines appropriate, provided, however, that: (a) no such amendment, modification, change, suspension or termination may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Omnibus Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or Exchange requirements; and (b) any amendment that would cause an Award held by a U.S. taxpayer to be subject to the additional tax penalty under the U.S. tax code will be null and void with respect to the U.S. taxpayer unless his or her consent is obtained.

Without limiting the generality of the foregoing, but subject to the below, the Plan Administrator may, without shareholder approval, at any time or from time to time, amend the Omnibus Plan for the purposes of making:

- (a) any amendments to the general vesting provisions of each Award;
- (b) any amendment regarding the effect of termination of a participant's employment or engagement;

- (c) any amendments to add covenants of the Corporation for the protection of Participants, provided that the Plan Administrator must be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants;
- (d) any amendments not inconsistent with the Omnibus Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Plan Administrator, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Plan Administrator must be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and non-employee directors; or
- (e) any such changes or corrections which, on the advice of counsel to the Corporation, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Plan Administrator must be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

Notwithstanding the foregoing and subject to any rules of the Exchange, shareholder approval will be required for any amendment, modification or change that:

- (a) increases the percentage of Common Shares reserved for issuance under the Omnibus Plan, except pursuant to the provisions in the Omnibus Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (b) increases or removes the 10% limits on Common Shares issuable or issued to Insiders;
- (c) reduces the exercise price of an Award, except pursuant to the provisions in the Omnibus Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (d) extends the term of an Award beyond the original expiry date (except where an expiry date would have fallen within a blackout period applicable to the Participant or within five business days following the expiry of such a blackout period);
- (e) permits an Award to be exercisable beyond 10 years from its date of grant (except where an expiry date would have fallen within a blackout period);
- (f) increases or removes the non-employee director participation limits;
- (g) permits Awards to be transferred to a person;
- (h) changes the eligible participants of the Omnibus Plan; or
- (i) deletes or reduces the range of amendments which require shareholder approval.

The Board has unanimously approved the Omnibus Plan and recommends that Shareholders vote FOR the resolution regarding the Omnibus Plan. The complete text of the resolution (the “**Omnibus Plan**”

Resolution”) which management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is as follows:

“**WHEREAS** the policies of the TSX Venture Exchange require shareholder approval for the implementation of the omnibus equity incentive plan (“**Omnibus Plan**”) of Canada Carbon Inc. (the “**Corporation**”);

BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. the Omnibus Plan, in the form attached as Schedule “A” to the management information circular dated December 17, 2025 of the Corporation, is hereby authorized and approved; and
2. any one officer and director of the Corporation be and is hereby authorized for and on behalf of the Corporation to execute and deliver all such instruments and documents and to perform and do all such acts and things as may be deemed advisable in such individual’s discretion for the purpose of giving effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE OMNIBUS PLAN RESOLUTION IN THE ABSENCE OF DIRECTION TO THE CONTRARY FROM THE SHAREHOLDER APPOINTING THEM. AN AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTES CAST BY SHAREHOLDERS AT THE MEETING IS SUFFICIENT FOR THE APPROVAL OF THE OMNIBUS PLAN RESOLUTION.

4. **Approval of Share Consolidation**

At the Meeting, Shareholders will be asked to consider and, if thought advisable, to approve the special resolution in the form set out below (the “**Consolidation Resolution**”) to allow the Corporation to amend its articles in order to consolidate its issued and outstanding Common Shares (the “**Share Consolidation**”) on the basis of up to ten (10) pre-consolidation Common Shares for every one post-consolidation Common Share, as may be determined by the Board in its sole discretion (the “**Consolidation Ratio**”).

In addition to the requirement that Shareholders approve the Consolidation Resolution, the ability of the Board to effect the Share Consolidation is subject to the approval of the TSX Venture Exchange. Subject to the approval of the TSX Venture Exchange, the approval of the Consolidation Resolution by Shareholders would give the Board the authority to implement the Share Consolidation and to determine the exact Consolidation Ratio, in its sole discretion, at any time within one year of the date of Shareholder approval of the Consolidation Resolution. Notwithstanding the foregoing, even if the Share Consolidation Resolution is approved by Shareholders at the Meeting, the Board may elect to revoke the Share Consolidation Resolution and abandon the Share Consolidation without prior approval of, or notice to, Shareholders.

Principal Reasons for Effecting the Share Consolidation

The Board believes that is in the best interests of the Corporation to have the authority to implement the Share Consolidation for the following reasons:

- (i) *Increased investor interest.* A higher post-consolidation share price could help generate interest in the Corporation among new and existing investors. While decreasing the number of Common Shares outstanding may not, by itself, affect the marketability of the

Common Shares, in practice many investors, including institutional investors and investment funds, consider low-priced shares as unduly speculative in nature and, as a matter of policy, avoid investments in such shares. As a result, a higher anticipated share price may meet investing guidelines for certain investors that are currently prevented under their investing guidelines from investing in the Common Shares at current price levels, and may allow such investors to leverage their investment by meeting margin eligibility requirements; where commissions are based on the number of shares traded, investors pay lower commissions to trade a fixed value of shares where the per share price is higher; and

- (ii) *Improved liquidity.* The aggregate potential effect of increased interest from investors and potentially lower transaction costs could ultimately improve the trading liquidity of the shares.

There can be no assurance that any increase in the market price per Common Share or improved liquidity would result from the proposed Share Consolidation.

Principal Effects of the Share Consolidation

The principal effects of the Share Consolidation would be:

- (i) *Reduction in the number of Common Shares outstanding.* The number of Common Shares issued and outstanding will be reduced from 242,281,512 Common Shares (as of the date of this Circular) to approximately 24,228,151, depending on the Consolidation Ratio selected by the Board; and
- (ii) *Adjustments to the outstanding options and common share purchase warrants of the Corporation.* The exercise price and the number of Common Shares issuable under the Corporation's outstanding options and common share purchase warrants will be proportionately adjusted, based on the Consolidation Ratio selected by the Board, with any fraction rounded down to the nearest whole number.

The Board believes that Shareholder approval of a range of potential Consolidation Ratios (rather than a single Consolidation Ratio) would provide the Board with maximum flexibility to react to then-current market conditions and achieve the desired results of the Share Consolidation. If the Consolidation Resolution is approved, the Share Consolidation would be implemented, if at all, only upon a determination by the Board that it is in the best interests of the Corporation at that time. In connection with any determination to implement the Share Consolidation, the Board will set the timing for such Share Consolidation and select the specific Consolidation Ratio from within the range of ratios set forth in the Consolidation Resolution, subject to receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange. The selection by the Board of the specific ratio would be based primarily on the price level of the Common Shares at that time and the expected stability of that price level. No further action on the part of Shareholders would be required in order for the Board to implement the Share Consolidation.

The Share Consolidation will not materially affect any Shareholder's proportionate voting rights. Each Common Share outstanding after the Share Consolidation will be fully paid and non-assessable and will entitle the holder to one vote per Common Share.

If approved and implemented, the Share Consolidation will occur simultaneously for all the Common Shares and the Consolidation Ratio will be the same for all the Common Shares. Except for any variances attributable to fractional shares, the change in the number of issued and outstanding Common Shares that will result from the Share Consolidation will cause no change in the capital attributable to the Common Shares and will not materially affect any Shareholder's percentage ownership in the Corporation, even though such ownership will be represented by a smaller number of Common Shares. Any fractional Common Shares resulting from the Share Consolidation will be rounded down to the nearest whole number and any such fractional interest will be cancelled without consideration.

Certain Risks Associated with the Share Consolidation

The effect of the Share Consolidation upon the market price of the Common Shares cannot be predicted with certainty, and the history of share consolidations for corporations similar to the Corporation is varied. Certain risks associated with the Share Consolidation are as follows:

The Corporation's total market capitalization immediately after the proposed Share Consolidation may be lower than immediately before the proposed Share Consolidation

There are numerous factors and contingencies that could affect the Common Share price prior to or following the Share Consolidation, including the status of the market for the Common Shares at the time, the status of the Corporation's reported financial results in future periods, and general economic, geopolitical, stock market and industry conditions. Accordingly, the market price of the Common Shares may not be sustainable at the direct arithmetic result of the Share Consolidation and may be lower.

A decline in the market price of the Common Shares after the Share Consolidation may result in a greater percentage decline than would occur in the absence of a consolidation, and liquidity could be adversely affected following such consolidation

If the Share Consolidation is implemented and the market price of the Common Shares declines, the percentage decline may be greater than would occur in the absence of the Share Consolidation. The market price of the Common Shares will, however, also be based on the Corporation's performance and other factors, which are unrelated to the number of Common Shares outstanding.

While the Board believes that a higher share price may provide the benefits described above, the Share Consolidation may not result in a share price that will attract institutional investors or investment funds. As a result, the liquidity of the Common Shares may not improve after giving effect to the Consolidation. Furthermore, the liquidity of the Common Shares could be adversely affected by the reduced number of Common Shares that would be outstanding after the Share Consolidation.

The Share Consolidation may result in some Shareholders owning "odd lots" of less than 100 Common Shares on a post-consolidation basis, which may be more difficult to sell, or require greater transaction costs per share to sell

The Share Consolidation may result in some Shareholders owning "odd lots" of less than 100 Common Shares on a post-consolidation basis. "Odd lots" may be more difficult to sell, or require greater transaction costs per Common Share to sell, than Common Shares held in "board lots" of even multiples of 100 Common Shares.

Procedure for Implementing the Share Consolidation

If the Share Consolidation Resolution is approved by Shareholders and the Board decides to implement the Share Consolidation, subject to TSX Venture Exchange approval, the Corporation will file articles of amendment with the Director appointed under the *Business Corporations Act* (Ontario) (the “**OBCA**”) in the form prescribed by the OBCA to amend the Corporation’s articles. The Share Consolidation will become effective on the date shown in the certificate of amendment issued by the Director appointed under the OBCA or such other date indicated in the articles of amendment.

Effect on Registered Holders

If the proposed Share Consolidation is approved by Shareholders and implemented, registered Shareholders will be required to exchange their share certificates representing pre-consolidation Common Shares for new share certificates representing post-consolidation Common Shares. Following the announcement by the Corporation of the Consolidation Ratio selected by the Board and the effective date of the Share Consolidation, registered Shareholders will be provided with a letter of transmittal by the Corporation’s transfer agent, Computershare Trust Company of Canada, to be used for the purpose of surrendering their certificates representing the then outstanding Common Shares to such transfer agent in exchange for new share certificates representing Common Shares after giving effect to the Share Consolidation. After the Share Consolidation, share certificates representing pre-consolidation Common Shares will: (i) not constitute good delivery for the purposes of trades of Common Shares post-Share Consolidation; and (ii) be deemed for all purposes to represent the number of Common Shares to which the shareholder is entitled as a result of the Share Consolidation. No delivery of a new share certificate to a Shareholder will be made until the Shareholder surrenders its certificates representing the Common Shares pre-Share Consolidation along with the letter of transmittal to the registrar and transfer agent of the Corporation in the manner detailed therein.

Effect on Non-Registered Holders

Non-Registered Beneficial Holders holding their Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have specific procedures for processing the Share Consolidation. If you hold your Common Shares with such a bank, broker or other nominee and if you have any questions in this regard, you are encouraged to contact your nominee.

No Dissent Rights

Under the OBCA, Shareholders do not have dissent and appraisal rights with respect to the proposed Share Consolidation.

Shareholder Approval of Consolidation Resolution

In order to be adopted, the OBCA requires that the Consolidation Resolution be approved by a special resolution of the Shareholders, being a majority of not less than two-thirds of the votes cast by Shareholders present in person or by proxy at the Meeting. The text of the Consolidation Resolution to be submitted to shareholders at the Meeting is set forth below:

“BE IT RESOLVED AS A SPECIAL RESOLUTION, THAT:

1. the articles Canada Carbon Inc. (the “**Corporation**”) be amended to provide that:

- (i) the authorized share capital of the Corporation is altered by consolidating (the “**Consolidation**”) all of the issued and outstanding common shares of the Corporation (the “**Common Shares**”) on the basis of up to ten (10) pre-Consolidation Common Shares for every one (1) post-Consolidation Common Share, with such final consolidation ratio to be determined by the board of directors at its sole discretion; and
 - (ii) any fractional Common Share arising post-Consolidation be deemed to have been tendered by its registered owner to the Corporation for cancellation and will be returned to the authorized but unissued share capital of the Corporation;
2. any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise and to deliver or to cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of the Corporation may be necessary or desirable to carry out the terms of the foregoing resolutions; and
 3. notwithstanding that this resolution has been duly passed by the shareholders, the directors are hereby authorized and empowered, if they decide not to proceed with this resolution, to revoke this resolution, at their sole discretion, in whole or in part at any time prior to it being given effect without further notice to, or approval of, the shareholders.”

THE BOARD BELIEVES THAT THE SHARE CONSOLIDATION IS IN THE CORPORATION’S BEST INTERESTS AND UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE IN FAVOUR OF THE SHARE CONSOLIDATION RESOLUTION. COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE CONSOLIDATION RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. AN AFFIRMATIVE VOTE OF TWO THIRDS OF THE VOTES CAST BY SHAREHOLDERS AT THE MEETING IS SUFFICIENT FOR THE APPROVAL OF THE CONSOLIDATION RESOLUTION.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person or company who is, or at any time during the financial year ended December 31, 2024 was, a director or executive officer of the Corporation, a proposed management nominee for election as a director of the Corporation, or an associate or affiliate of any such director, executive officer or proposed nominee, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of directors.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.ca. Financial information is provided in the Corporation’s audited financial statements and Management’s Discussion and Analysis (“**MD&A**”) for the years ended December 31, 2024 and 2023. In addition, copies of the Corporation’s annual financial statements, MD&A and this Circular may be obtained upon request to the Corporation. The Corporation may require the payment of a reasonable charge if the request is made by a person who is not a Shareholder.

APPROVAL OF BOARD OF DIRECTORS

The contents of this Circular and the sending of it to each director of the Corporation, to the auditor of the Corporation, to the Shareholders and to the appropriate governmental agencies, have been approved by the directors of the Corporation.

DATED at Toronto, Ontario this 17th day of December, 2025

BY ORDER OF THE BOARD

"Ellerton Castor"

Ellerton Castor
Chief Executive Officer

**SCHEDULE A
STATEMENT OF GOVERNANCE PRACTICES**

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 ("NI 58-101")	Comments
Board of Directors	
<p>1. Disclose how the Board facilitates its exercise of independent supervision over management, including</p> <p>(i) the identity of directors that are independent, and</p> <p>(ii) the identity of directors who are not independent, and the basis for that determination.</p>	<p>The Board currently consists of a total of five (5) directors, of which Mr. Lipton, Mr. Coventry, Mr. Barnard and Mr. Thorpe are considered "independent" as such term is defined in NI 58-101.</p>
<p>2. Directorships - If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.</p>	<p>Please refer to "<i>Particulars of Matters to be Acted Upon - Election of Directors</i>".</p>
Orientation and Continuing Education	
<p>3. Describe what steps, if any, the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors.</p>	<p>When new directors are appointed, they receive orientation commensurate with their previous experience, on the Corporation's properties and the responsibilities of directors. Each director ultimately assumes responsibility for keeping himself informed about the Corporation's business and relevant developments outside the Corporation that affect its business. Management assists directors by providing them with regular updates on relevant developments and other information that management considers of interest to the Board. Directors may also attend other Board committee meetings if they are not active members, to broaden their knowledge base and receive additional information on the Corporation's business and developments in areas where they are not commonly exposed.</p>
Ethical Business Conduct	
<p>4. Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.</p>	<p>To ensure that an ethical business culture is maintained and promoted, directors are encouraged to exercise their independent judgment. If a director has a material interest in any transaction or agreement that the Corporation proposes to enter into, such director is expected to disclose such interest to the Board in compliance with the applicable laws, rules and policies which govern conflicts of interest in connection with such transaction or agreement. Further, any director who has a material interest in any proposed transaction or agreement will be excluded from the portion of the Board meeting concerning such matters and will be further precluded from voting on such matters.</p>
Nomination of Directors	
<p>5. Disclose what steps, if any, are taken to identify new candidates for Board nomination, including: (i) who identifies new candidates, and (ii) the process of identifying new candidates.</p>	<p>The Board is responsible for the identification and assessment of potential directors. The Board considers its size each year when it considers the number of directors to recommend to the Shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. While no formal nomination procedures are in place to identify new candidates, the Board does review the experience and performance</p>

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 ("NI 58-101")	Comments
	of nominees for election to the Board. Members of the Board are canvassed with respect to the qualifications of a prospective candidate and each candidate is evaluated with respect to his or her experience and expertise, with particular attention paid to those areas of expertise that could complement and enhance current management. The Board also assesses any potential conflicts, independence or time commitment concerns that the candidate may present.
Compensation	
6. Disclose what steps, if any, are taken to determine compensation for the directors and Chief Executive Officer, including: (i) who determines compensation, and (ii) the process of determining compensation.	The process undertaken by the Board in respect of compensation is more fully described in " <i>Director and Named Executive Officer Compensation</i> ".
Other Board Committees	
7. If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	The Board has a governance committee which is responsible for reviewing the governance structures and practices of the organization. The committee also conducts regular performance reviews of the Executive.
Assessments	
8. Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.	<p>The Board annually reviews its own performance and effectiveness as well as that of the Audit Committee and the individual directors in fulfilling their respective responsibilities.</p> <p>The Board feels its corporate governance practices are appropriate and effective for the Corporation, given its relatively small size and level of activity. The Corporation's corporate governance structure allows for the Corporation to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without undue administrative burden.</p>

**SCHEDULE B
CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

CANADA CARBON INC.

This Charter shall govern the activities of the audit committee (the “**Audit Committee**”) of the Board of Directors (the “**Board**”) of Canada Carbon Inc. (the “**Corporation**”).

1. BACKGROUND

- 1.1 National Instrument 52-110 – Audit Committees (the “**Instrument**”) relating to the composition and function of audit committees was implemented for reporting issuers and, accordingly, applies to every TSX Venture Exchange listed company, including the Corporation. The Instrument requires all affected issuers to have a written audit committee charter which must be disclosed, as stipulated by Form 52-110F2, in the management information circular of the Corporation wherein management solicits proxies from the security holders of the Corporation for the purpose of electing directors to the board of directors. The Corporation, as a TSX Venture Exchange-listed company is, however, exempt from certain requirements of the Instrument.
- 1.2 This Charter has been adopted by the board of directors in order to comply with the Instrument and to more properly define the role of the Audit Committee in the oversight of the financial reporting process of the Corporation. Nothing in this Charter is intended to restrict the ability of the Board or the Audit Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

2. PURPOSE

- 2.1 The primary function of the Audit Committee is to assist the Board in fulfilling its financial reporting and controls responsibilities to the shareholders of the Corporation and the investment community. The external auditors will report directly to the Audit Committee. The Audit Committee’s primary duties and responsibilities are:
- (a) overseeing the integrity of the Corporation’s financial statements and reviewing the financial reports and other financial information provided by the Corporation to any governmental body or the public and other relevant documents and overseeing the Corporation’s compliance with legal and regulatory requirements, including the Instrument;
 - (b) recommending the appointment and reviewing and appraising the audit efforts of the Corporation’s external auditor, overseeing the external auditor’s qualifications and independence and providing an open avenue of communication among the external auditor, financial and senior management and the Board;
 - (c) serving as an independent and objective party to oversee and monitor the Corporation’s financial reporting process and internal controls, the Corporation’s processes to manage business and financial risk, and its compliance with legal, ethical and regulatory requirements;

- (d) encouraging continuous improvement of, and fostering adherence to, the Corporation's policies, procedures and practices at all levels.

3. COMPOSITION

- 3.1 The Audit Committee shall consist of a minimum of three Directors of the Corporation, including the Chair of the Audit Committee, all of whom shall meet the requirements of the Instrument. All members should be, to the extent possible, to the satisfaction of the Board, be "financially literate" as defined in the Instrument. A majority of the members of the Audit Committee shall be "independent" as defined in the Instrument.
- 3.2 The members of the Audit Committee shall be elected by the Board at the annual organizational meeting of the Board or until their successors are duly elected. The Board may remove a member of the Audit Committee at any time in its sole discretion by resolution of the Board. Unless a Chair is elected by the full Board, the members of the Audit Committee may designate a Chair by majority vote of the full membership of the Audit Committee.

4. DUTIES AND RESPONSIBILITIES

- 4.1 The Audit Committee shall review and recommend to the Board for approval:
 - (a) The annual audited financial statements.
 - (b) Review with financial management and the external auditor the Corporation's financial statements, MD&A and annual and interim earnings releases to be filed with regulatory bodies, such as securities commissions, prior to filing or prior to the release of earnings, as well as financial information and earnings guidance provided to analysts and rating agencies.
 - (c) Documents referencing, containing or incorporating by reference the annual audited financial statements or interim financial results (e.g., prospectuses, press releases with financial results and Annual Information Form when applicable) prior to their release.
 - (d) Adequacy of this charter and revisions thereto as necessary.
- 4.2 The Audit Committee, in fulfilling its mandate, will:
 - (a) Satisfy itself that adequate internal controls and procedures are in place to allow the Chief Executive Officer and the Chief Financial Officer to certify financial statements and other disclosure documents as required under securities laws. Review with management relationships with regulators, and the accuracy and timeliness of filing with regulatory authorities (when and if applicable).
 - (b) Recommend to the Board the selection of the external auditor, consider the independence and effectiveness and approve the fees and other compensation to be paid to the external auditor. Review the performance of the external auditor and approve any proposed discharge and replacement of the external auditor when circumstances warrant. Review the annual audit plans of the internal and external auditors of the Corporation and discuss any significant changes required in the audit plan.

- (c) Monitor the relationship between management and the external auditor including reviewing any management letters or other reports of the external auditor and discussing any material differences of opinion or disagreements between management and the external auditor.
- (d) Periodically consult with the external auditor out of the presence of management about significant risks or exposures, internal controls and other steps that management has taken to control such risks, and the fullness and accuracy of the organization's financial statements. Particular emphasis should be given to the adequacy of internal controls to expose any payments, transactions, or procedures that might be deemed illegal or otherwise improper.
- (e) Arrange for the external auditor to be available to the Audit Committee and the full Board as needed. Ensure that the auditors report directly to the Audit Committee and are made accountable to the Board and the Audit Committee, as representatives of the shareholders to whom the auditors are ultimately responsible.
- (f) Ensure that the external auditors are prohibited from providing the following non-audit services and pre-approve any permissible non-audit engagements of the external auditors, in accordance with applicable legislation:
 - (i) bookkeeping or other services related to the accounting records or financial statements of the Corporation;
 - (ii) financial information systems design and implementation;
 - (iii) appraisal or valuation services, fairness opinions, or contribution-in-kind reports;
 - (iv) actuarial services;
 - (v) internal audit outsourcing services;
 - (vi) management functions or human resources;
 - (vii) broker or dealer, investment adviser or investment banking services; and
 - (viii) legal services and expert services unrelated to the audit.
- (g) Review with management and the external auditor of the Corporation's major accounting policies, including the impact of alternative accounting policies and key management estimates and judgments that can materially affect the financial results.
- (h) Review with management their approach to controlling and securing corporate assets (including intellectual property) and information systems, the adequacy of staffing of key functions and their plans for improvements.
- (i) Review the expenses of the Chair and President of the Corporation annually.

- (j) Obtaining reports from management and the Corporation's external auditor that the Corporation is in conformity with legal requirements and the Corporation's Code of Ethics and Conduct (if applicable) and reviewing reports and disclosures of insider and related party transactions.
- (k) At least annually obtaining and reviewing a report prepared by the external auditors describing (i) the auditors' internal quality-control procedures; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the auditors, or by any inquiry of investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditors, and any steps taken to deal with any such issues; and (iii) (to assess the auditors' independence) all relationships between the independent auditors and the Corporation.
- (l) Setting clear hiring policies for partners, employees or former partners and former employees of the present and former external auditors of the Corporation.
- (m) Reporting annually to the shareholders in the Corporation's Management Information Circular prepared for the annual meeting of shareholders on the carrying out of its responsibilities under this charter and on other matters as required by applicable securities regulatory authorities.
- (n) Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and for employees to submit confidential anonymous concerns regarding questionable accounting or auditing matters.
- (o) Perform such other duties as required by the Corporation's incorporating statute and applicable securities legislation and policies.

4.3 The Audit Committee may engage and communicate directly and independently with outside legal and other advisors for the Audit Committee as required.

5. SECRETARY

The Secretary of the Audit Committee will be appointed by the Chair.

6. MEETINGS

- 6.1 The Audit Committee shall meet at such times and places as the Audit Committee may determine, but no less than four times per year. In any event, the Audit Committee shall meet prior to the Corporation issuing a press release with its quarterly or annual earnings information. At least annually, the Audit Committee shall meet separately with management and with the external auditors.
- 6.2 Meetings may be conducted with members present, in person, by telephone or by video conference facilities.
- 6.3 A resolution in writing signed by all the members of the Audit Committee is valid as if it had been passed at a meeting of the Audit Committee.

- 6.4 The external auditors or any member of the Audit Committee may call a meeting of the Audit Committee.
- 6.5 The external auditors of the Corporation will receive notice of every meeting of the Audit Committee.
- 6.6 The Chairman of the Audit Committee will report periodically the committee's findings and recommendations to the Board of Directors.

7. QUORUM

A quorum is established with a minimum of two Audit Committee members.

DATED August 15, 2012.

SCHEDULE C

OMNIBUS EQUITY INCENTIVE PLAN

CANADA CARBON INC.

ARTICLE 1

PURPOSE

1.1 Purpose

The purpose of this Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified Directors, Officers, Employees and Consultants, to reward such of those Directors, Officers, Employees and Consultants as may be granted Awards under this Plan by the Board from time to time for their contributions toward the long term goals and success of the Corporation and to enable and encourage such Directors, Officers, Employees and Consultants to acquire Shares as long term investments and proprietary interests in the Corporation.

1.2 Amendment to Predecessor Plan

This Plan constitutes an amendment to and restatement of the Corporation's rolling stock option plan (the "**Predecessor Plan**"). All outstanding stock options granted under the Predecessor Plan (the "**Predecessor Options**") shall continue to be outstanding as stock options granted under and subject to the terms of this Plan, provided however that if the terms of this Plan adversely alter the terms or conditions, or impair any right of, an Option holder pursuant to any Predecessor Option, and such Option holder has not otherwise consented thereto, the applicable terms of the Predecessor Plan shall continue to apply for the benefit of such Option holder.

ARTICLE 2

INTERPRETATION

2.1 Definitions

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

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

"Award" means any Option, Deferred Share Unit, Restricted Share Unit, Performance Share Unit or Other Share-Based Award granted under this Plan, which may be denominated or settled in Shares, cash or in such other forms as provided for herein;

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

“Award Date” means the date on which an Award is granted to a Participant;

“Black-Out Period” has the meaning set forth in Section 9.2;

“Board” means the board of directors of the Corporation as it may be constituted from time to time;

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

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

“Cash Fees” has the meaning set forth in Section 5.1(a);

“Cashless Exercise” has the meaning ascribed to such term in Section 4.5;

“Cause” means, with respect to:

- (a) a particular Employee: (1) “cause” as such term is defined in the employment or other written agreement between the Corporation or a subsidiary of the Corporation and the Employee; (2) in the event there is no written or other applicable employment agreement between the Employee and the Corporation or a subsidiary of the Corporation 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, such term shall refer to circumstances where an employer can terminate an individual’s employment without notice or pay in lieu thereof;
- (b) in the case of a Consultant (1) the occurrence of any event which, under the written consulting agreement with the Consultant or the common law or the laws of the jurisdiction in which the Consultant provides services, gives the Corporation or any of its Affiliates the right to immediately terminate the consulting agreement; or (2) the termination of the consulting agreement as a result of an order made by any Regulatory Authority having jurisdiction to so order;
- (c) 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 the OBCA; (2) a resolution having been passed by the shareholders pursuant to the OBCA, or (3) an order made by any Regulatory Authority having jurisdiction to so order; or
- (d) in the case of an Officer, (1) cause as such term is defined in the written employment or consulting agreement with the Officer or if there is no written employment agreement or consulting 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.

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

- (a) any transaction at any time and by whatever means pursuant to which any Person or any group of two or more Persons acting jointly or in concert (other than the Corporation or a wholly-owned subsidiary of the Corporation) hereafter acquires the direct or indirect beneficial ownership of, or acquires the right to exercise Control or direction over, securities of the Corporation representing more than 50% of the then issued and outstanding voting securities of the Corporation, including, without limitation, as a result of a takeover bid, an exchange of securities, an amalgamation of the Corporation with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;
- (b) the sale, assignment or other transfer of all or substantially all of the consolidated assets of the Corporation to a Person other than a wholly-owned subsidiary of the Corporation;
- (c) the dissolution or liquidation of the Corporation, other than in connection with the distribution of assets of the Corporation to one or more Persons which were wholly-owned subsidiaries of the Corporation prior to such event;
- (d) the occurrence of a transaction requiring approval of the Corporation's shareholders whereby the Corporation is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any other Person (other than a short form amalgamation or exchange of securities with a wholly-owned subsidiary of the Corporation);
- (e) any other event which the Board determines to constitute a change in control of the Corporation; or
- (f) individuals who comprise the Board as of the last annual meeting of shareholders of the Corporation (the "**Incumbent Board**") for any reason cease to constitute at least a majority of the members of the Board, unless the election, or nomination for election by the Corporation's shareholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, and in that case such new director shall be considered as a member of the Incumbent Board;

provided that, notwithstanding clauses (a), (b), (c) and (d) above, a Change in Control shall be deemed not to have occurred pursuant to clauses (a), (b), (c) or (d) above if immediately following the transaction set forth in clause (a), (b), (c) or (d) above: (A) the holders of securities of the Corporation that immediately prior to the consummation of such transaction represented more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors of the Corporation hold (x) securities of the entity resulting from such transaction (including, for greater certainty, the Person succeeding to assets of the Corporation in a transaction contemplated in clause (b) above) (the "**Surviving Entity**") that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees ("**voting power**") of the Surviving Entity, or (y) if applicable, securities of the entity that directly or indirectly has beneficial ownership of 100% of the securities eligible to elect directors of the Surviving Entity (the "**Parent Entity**") that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors of the Parent Entity, and (B) no Person or group of two or more Persons, acting jointly or in concert, is the beneficial owner, directly or indirectly, of more than 50% of the

voting power of the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) (any such transaction which satisfies all of the criteria specified in clauses (A) and (B) above being referred to as a **“Non-Qualifying Transaction”** and, following the Non-Qualifying Transaction, references in this definition of “Change in Control” to the “Corporation” shall mean and refer to the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) and, if such entity is a company or a trust, references to the “Board” shall mean and refer to the board of directors or trustees, as applicable, of such entity).

Notwithstanding the foregoing, for purposes of any Award that constitutes “deferred compensation” (within the meaning of Section 409A of the Code), the payment of which would be accelerated upon a Change in Control, a transaction will not be deemed a Change in Control for Awards granted to any Participant who is a U.S. Taxpayer unless the transaction qualifies as “a change in control event” within the meaning of Section 409A of the Code;

“Code” means the United States Internal Revenue Code of 1986, as amended from time to time;

“Committee” has the meaning set forth in Section 3.2;

“Consultant” has the meaning given to that term in National Instrument 45-106 - *Prospectus Exemptions*, and for the purposes of the Plan includes consultants of the Corporation and any of its affiliates, as well as consultant companies of the Corporation and any of its affiliates.

“Control” means:

- (a) when applied to the relationship between a Person and a corporation, the beneficial ownership by that Person, directly or indirectly, of voting securities or other interests in such corporation entitling the holder to exercise control and direction in fact over the activities of such corporation;
- (b) when applied to the relationship between a Person and a partnership, limited partnership, trust or joint venture, means the contractual right to direct the affairs of the partnership, limited partnership, trust or joint venture; and
- (c) when applied in relation to a trust, the beneficial ownership at the relevant time of more than 50% of the property settled under the trust, and

the words **“Controlled by”**, **“Controlling”** and similar words have corresponding meanings; provided that a Person who controls a corporation, partnership, limited partnership or joint venture will be deemed to Control a corporation, partnership, limited partnership, trust or joint venture which is Controlled by such Person and so on;

“Corporation” means Canada Carbon Inc.;

“Deferred Share Unit” or **“DSU”** means any right granted under ARTICLE 5 of this Plan;

“Director” means a director of the Corporation who is not an Employee;

“Director Fees” means the total compensation (including annual retainer and meeting fees, if any) paid by the Corporation to a Director in a calendar year for service on the Board;

“Disabled” or **“Disability”** means, in respect of a Participant, suffering from a state of mental or physical disability, illness or disease that prevents the Participant from carrying out his or her normal duties as an Employee for a continuous period of six months or for any period of six months in any consecutive twelve month period, as certified by two medical doctors or as otherwise determined in accordance with procedures established by the Plan Administrator for purposes of this Plan;

“Effective Date” means the effective date of this Plan, being January 21, 2026;

“Elected Amount” has the meaning set forth in Section 5.1(a);

“Electing Person” means a Participant who is, on the applicable Election Date, a Director;

“Election Date” means the date on which the Electing Person files an Election Notice in accordance with Section 5.1(b);

“Election Notice” has the meaning set forth in Section 5.1(b);

“Employee” means an individual who:

- (a) is considered an employee of the Corporation or a subsidiary of the Corporation for purposes of source deductions under applicable tax or social welfare legislation; or
- (b) works full-time or part-time on a regular weekly basis for the Corporation or a subsidiary of the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or a subsidiary of the Corporation over the details and methods of work as an employee of the Corporation or such subsidiary, and, for greater certainty, includes any Executive Chairman of the Corporation.

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

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

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

“Expiry Date” means the expiry date specified in the Award Agreement (which shall not be later than the 10th anniversary of the Award Date) or, if not so specified, means the 10th anniversary of the Award Date;

“Insider” has the meaning assigned by Policy 1.1 of the rules and policies of the Exchange, as amended from time to time;

“Investor Relations Activities” has the meaning assigned by Policy 1.1 of the rules and policies of the Exchange, as amended from time to time;

“Management Corporation Employee” means an individual employed by a Person providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a Person engaged in Investor Relations Activities;

“Market Price” of the Shares for a relevant date shall be determined as follows:

- (a) for each organized trading facility on which the Shares are listed, Market Price shall be the closing trading price of the Shares on such facility on the last trading date immediately preceding the relevant date;
- (b) if the Shares are listed on more than one organized trading facility, then Market Price shall be the greater of the Market Prices determined for each organized trading facility on which those Shares are listed as determined for each organized trading facility in accordance with (a) above;
- (c) if the Shares are listed on one or more organized trading facility but have not traded during the 10 trading day period immediately preceding the relevant date, then the Market Price shall be, subject to the necessary approvals of the applicable Regulatory Authority, such value as is determined by resolution of the Board; and
- (d) if the Shares are not listed on any organized trading facility, then the Market Price shall be, subject to the necessary approvals of the applicable Regulatory Authority, the fair market value of the Shares on the relevant date as determined by the Board in its discretion,

provided that, for so long as the Shares are listed and posted for trading on the Exchange, the Market Price shall not be less than the market price, as calculated under the policies of the Exchange;

“Net Exercise” has the meaning ascribed to such term in Section 4.5(c);

“Net Exercise Notice” means the notice respecting the exercise of an Option on a net basis, in the form, set out as Schedule “B” hereto, duly executed by the Participant;

“OBCA” means the *Business Corporations Act* (Ontario);

“Officer” means an officer of the Corporation or Management Corporation Employee and for the purposes of the Plan includes officers of the Corporation and Management Corporation Employees and any Related Entity of the Corporation;

“Option” means an option to purchase Shares from treasury granted by the Corporation to a Participant, subject to the provisions contained herein;

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

“Other Share-Based Award” means any right granted under ARTICLE 8;

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

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

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

“Performance Share Unit” or **“PSU”** means any right granted under ARTICLE 7 of this Plan;

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

“Personal Representative” means:

- (a) in the case of a deceased Participant, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
- (b) in the case of a Participant who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Participant.

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

“Plan Administrator” means the Board or, to the extent that the administration of this Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

“Predecessor Options” has the meaning set forth in Section 1.2;

“Predecessor Plan” has the meaning set forth in Section 1.2;

“Regulatory Authority” means any stock exchange, inter-dealer quotation network and other organized trading facility on which the Shares are listed and any securities commissions or similar securities regulatory body having jurisdiction over the Corporation;

“Related Entity” has the meaning given to that term in National Instrument 45-106 – *Prospectus Exemptions*;

“Restricted Share Unit” or **“RSU”** means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with ARTICLE 6;

“Section 409A of the Code” means Section 409A of the Code and all regulations, guidance, compliance programs, and other interpretive authority issued thereunder;

“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 Corporation or to which it is subject;

“Security Based Compensation Arrangement” means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to Directors, Officers, Employees, Consultants and/or service providers of the Corporation or any subsidiary of the Corporation, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;

“Share” means one common share in the capital of the Corporation as constituted on the Effective Date, or any share or shares issued in replacement of such common share in compliance with Canadian law or other applicable law, and/or one share of any additional class of common shares in the capital of the Corporation as may exist from time to time, or after an adjustment contemplated by ARTICLE 11, such other shares or securities to which the holder of an Award may be entitled as a result of such adjustment;

“subsidiary” means an issuer that is Controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary, or any other entity in which the Corporation has an equity interest and is designated by the Plan Administrator, from time to time, for purposes of this Plan to be a subsidiary, provided that, in the case of a Canadian Taxpayer, the issuer is related (for purposes of the Tax Act) to the Corporation;

“Tax Act” means the *Income Tax Act* (Canada); **“Termination Date”** means:

- (a) in the case of an Employee whose employment with the Corporation or a subsidiary of the Corporation terminates, (i) the date designated by the Employee and the Corporation or a subsidiary of the Corporation in a written employment agreement, or other written agreement between the Employee and Corporation or a subsidiary of the Corporation, or (ii) if no written employment agreement exists, the date designated by the Corporation or a subsidiary of the Corporation, as the case may be, on which an Employee ceases to be an employee of the Corporation or the subsidiary of the Corporation, as the case may be, provided that, in the case of termination of employment by voluntary resignation by the Employee, such date shall not be earlier than the date notice of resignation was given, and **“Termination Date”** specifically does not mean the date of termination of any period of reasonable notice that the Corporation or the subsidiary of the Corporation (as the case may be) may be required by law to provide to the Employee;
- (b) in the case of a Consultant whose consulting agreement or arrangement with the Corporation or a subsidiary of the Corporation, as the case may be, terminates, the date that is designated by the Corporation or the subsidiary of the Corporation (as the case may be), as the date on which the Consultant’s consulting agreement or arrangement is terminated, provided that in the case of voluntary termination by the Consultant of the Consultant’s consulting agreement or other written arrangement, such date shall not be earlier than the date notice of voluntary termination was given, and **“Termination Date”** specifically does not mean the date on which any period of notice of termination that the

Corporation or the subsidiary of the Corporation (as the case may be) may be required to provide to the Consultant under the terms of the consulting agreement or arrangement expires; or

- (c) in the case of a U.S. Taxpayer, a Participant's "Termination Date" will be the date the Participant experiences a "separation from service" with the Corporation or a subsidiary of the Corporation within the meaning of Section 409A of the Code.

"U.S." means the United States of America;

"U.S. Taxpayer" shall mean a Participant who, with respect to an Award, is subject to taxation under the applicable U.S. tax laws; and

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

2.2 Interpretation

- (a) Whenever the Plan Administrator exercises discretion in the administration of this Plan, the term "discretion" means the sole and absolute discretion of the Plan Administrator.
- (b) As used herein, the terms "Article", "Section", "Subsection" and "clause" mean and refer to the specified Article, Section, Subsection and clause of this Plan, respectively.
- (c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.
- (e) Unless otherwise specified, all references to money amounts are to Canadian currency.
- (f) The headings used herein are for convenience only and are not to affect the interpretation of this Plan.

ARTICLE 3 ADMINISTRATION

3.1 Administration

This Plan will be administered by the Plan Administrator and the Plan Administrator has sole and complete authority, in its discretion, to:

- (a) determine the individuals to whom grants of Awards under the Plan may be made;
- (b) make grants of Awards under the Plan, whether relating to the issuance of Shares or otherwise (including any combination of Options, Deferred Share Units, Restricted Share Units, Performance Share Units or Other Share-Based Awards), in such amounts, to such Persons and, subject to the provisions of this Plan, on such terms and conditions as it determines including without limitation:
 - (i) the time or times at which Awards may be granted;
 - (ii) the conditions under which:
 - (A) Awards may be granted to Participants; or
 - (B) Awards may be forfeited to the Corporation,

including any conditions relating to the attainment of specified Performance Goals;
 - (iii) the number of Shares to be covered by any Award;
 - (iv) the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Awards;
 - (v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Award, and the nature of such restrictions or limitations, if any; and
 - (vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine;
- (c) establish the form or forms of Award Agreements;
- (d) cancel, amend, adjust or otherwise change any Award under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of this Plan;
- (e) construe and interpret this Plan and all Award Agreements;
- (f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws; and
- (g) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

3.2 Delegation to Committee

- (a) The initial Plan Administrator shall be the Board.

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

3.3 Determinations Binding

Except as may be otherwise set forth in any written employment agreement, consulting agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant, any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration or interpretation of this Plan is final, conclusive and binding on the Corporation and all subsidiaries of the Corporation, the affected Participant(s), their respective legal and personal representatives and all other Persons.

3.4 Eligibility

All Employees, Consultants, Directors and Officers are eligible to participate in the Plan, subject to Section 10.1(e). Participation in the Plan is voluntary and eligibility to participate does not confer upon any Employee, Consultant, Director or Officer any right to receive any grant of an Award pursuant to the Plan. The extent to which any Employee, Consultant, Director or Officer is entitled to receive a grant of an Award pursuant to the Plan will be determined in the discretion of the Plan Administrator. The Board shall determine in its sole discretion whether any Person is a bona fide Employee, Consultant, Director or Officer, as applicable.

3.5 Plan Administrator Requirements

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

3.6 Total Shares Subject to Awards

- (a) The Plan is a “rolling up to 10% and fixed up to 10%” Security Based Compensation Plan, as defined in Policy 4.4 - *Security Based Compensation* of the Exchange. The Plan is a: (a) “rolling” plan pursuant to which the number of Shares that are issuable pursuant to the exercise of Options (including the Predecessor Options) granted hereunder shall not exceed 10% of the issued and outstanding Shares as at the date of any Option grant; and

(b) “fixed” plan under which the number of Shares that are issuable pursuant to all Awards other than Options granted hereunder and under any other Security Based Compensation Arrangement, in aggregate is a maximum of 24,228,151 Shares, in each case, subject to adjustment as provided in ARTICLE 11 and any subsequent amendment to this Plan.

- (b) To the extent the Shares are no longer listed on the Exchange, and subject to any additional and applicable approval by other stock exchange on which the Shares are then listed, the limits set forth in Section 3.6(a) shall no longer be applicable.
- (c) To the extent any Awards (or portion(s) thereof) under this Plan are terminated or are cancelled for any reason prior to exercise in full, any Shares subject to such Awards (or portion(s) thereof) shall be added back to the number of Shares reserved for issuance under this Plan and will again become available for issuance pursuant to the exercise of Awards granted under this Plan. To the extent any Options (or portion(s) thereof) under this Plan are exercised, any Shares subject to such Options (or portion(s) thereof) shall be added back to the number of Shares reserved for issuance under this Plan and will again become available for issuance pursuant to the exercise of Options granted under this Plan.
- (d) Any Shares issued by the Corporation through the assumption or substitution of outstanding stock options or other equity-based awards from an acquired company shall reduce the number of Shares available for issuance pursuant to the exercise of Awards granted under this Plan.

3.7 Limits on Grants of Awards

Notwithstanding anything in this Plan, the aggregate number of Shares issuable at any time under all Security Based Compensation Arrangements:

- (a) awarded in a one-year period to any one Consultant shall not exceed 2% of the issued and outstanding Shares (calculated at the time of award);
- (b) awarded in a one-year period to any one Participant (other than a Consultant) shall not exceed 5% of the issued and outstanding Shares (calculated at the time of award), unless disinterested shareholder approval has been obtained;
- (c) awarded in a one-year period to Persons employed to provide Investor Relations Activities services shall not exceed 2% of the issued and outstanding Shares (calculated at the time of award). For greater certainty, a Person conducting Investor Relations Activities shall only be entitled to receive Options as a form of Award under the Plan;
- (d) awarded to Insiders in aggregate at any time shall not exceed 10% of the issued and outstanding Shares (calculated at the time of award), unless disinterested shareholder approval has been obtained; or
- (e) awarded to Insiders in aggregate in a one-year period shall not exceed 10% of the issued and outstanding Shares (calculated at the time of award), unless disinterested shareholder approval has been obtained,

provided that the acquisition of Shares by the Corporation for cancellation shall not constitute non-compliance with this Section 3.7 for any Awards outstanding prior to such purchase of Shares for cancellation.

3.8 Award Agreements

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

3.9 Non-transferability of Awards

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

ARTICLE 4 OPTIONS

4.1 Granting of Options

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Options to any Participant. The terms and conditions of each Option grant shall be evidenced by an Award Agreement.

4.2 Exercise Price

The Plan Administrator will establish the Exercise Price at the time each Option is granted, which Exercise Price must in all cases be not less than the Market Price on the relevant date.

4.3 Term of Options

Subject to any accelerated termination as set forth in this Plan, each Option expires on its Expiry Date.

4.4 Vesting and Exercisability

- (a) The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of Options.
- (b) Once an instalment becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as may be otherwise set forth in any written employment agreement, consulting agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant. Each vested Option or instalment may be exercised at any time or from time to time, in whole or in part, for up

to the total number of Option Shares with respect to which it is then exercisable. The Plan Administrator has the right to accelerate the date upon which any instalment of any Option becomes exercisable.

- (c) Subject to the provisions of this Plan and any Award Agreement, Options shall be exercised by means of a fully completed Exercise Notice delivered to the Corporation.
- (d) The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in this Section 4.4, such as vesting conditions relating to the attainment of specified Performance Goals.
- (e) Options issued to any Person retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months such that: (A) no more than 1/4 of the Options vest no sooner than three months after the Options were granted; (B) no more than another 1/4 of the Options vest no sooner than six months after the Options were granted; (C) no more than another 1/4 of the Options vest no sooner than nine months after the Options were granted; and (D) no more than another 1/4 of the Options vest no sooner than 12 months after the Options were granted.

4.5 Payment of Exercise Price

- (a) Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular Award Agreement, the Exercise Notice must be accompanied by payment of the Exercise Price. Except as otherwise provided below, payment of the Exercise Price for the number of Shares being purchased pursuant to any Option shall be made (i) in cash, by cheque or in cash equivalent; (ii) if permitted by the Plan Administrator, applicable law and Exchange policies, by means of a Cashless Exercise (as defined herein), a Net Exercise (as defined herein), or by such other consideration as may be approved by the Plan Administrator from time to time to the extent permitted by applicable law and Exchange policies, or (iii) by any combination thereof. The Plan Administrator may at any time or from time to time grant Options which do not permit all of the foregoing forms of consideration to be used in payment of the Exercise Price or which otherwise restrict one or more forms of consideration.
- (b) Subject to the Corporation having established a program or procedure pursuant to this Section 4.5, a Participant or the Personal Representative of the Participant may elect to exercise such Options on a cashless basis (a "**Cashless Exercise**"). A "Cashless Exercise" means the exercise of an Option where the Corporation has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to the Participant to purchase the Shares underlying the Option and then the brokerage firm sells a sufficient number of Shares to cover the exercise price of the Option in order to repay the loan made to the Participant and receives an equivalent number of Shares from the exercise of the Options as were sold to cover the loan and the Participant then receives the balance of the Shares or the cash proceeds from the balance of the Shares. Pursuant to a Cashless Exercise, a Participant shall deliver a properly executed Exercise Notice together with irrevocable instructions to a broker providing for assignment to the Corporation of the proceeds of a sale or loan with respect to some or all of the Shares being acquired upon the exercise of the Option. The Corporation reserves the right, in the

Corporation's sole and absolute discretion, to establish, decline to approve or terminate any program or procedures for the exercise of Options by means of a Cashless Exercise, including with respect to one or more Participants specified by the Corporation notwithstanding that such program or procedures may be available to other Participants.

- (c) Other than a Person conducting Investor Relations Activities, a Participant or the Personal Representative of the Participant may elect to exercise an Option without payment of the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Option (a "Net Exercise") by delivering a Net Exercise Notice to the Plan Administrator. Upon receipt by the Plan Administrator of a Net Exercise Notice from a Participant or Personal Representative of a Participant, the Corporation shall calculate and issue to such Participant or Personal Representative of such Participant that number of Shares as is determined by application of the following formula:

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

Where:

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

Y = the number of Shares underlying the Options being exercised

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

B = the Exercise Price of the Options being exercised

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

- (d) Unless otherwise required by applicable laws, or as determined in the discretion of the Board or the Plan Administrator, the Exercise Price for Options shall be designated in Canadian dollars. A foreign Participant may be required to provide evidence that any currency used to pay the Exercise Price of any Option was acquired and taken out of the jurisdiction in which the Participant resides in accordance with applicable laws, including foreign exchange control laws and regulations. In the event the Exercise Price for an Option is paid in another foreign currency, if permitted by the Plan Administrator, the amount payable will be determined by conversion from Canadian dollars at the exchange rate as selected by the Plan Administrator on the date of exercise. For Participants subject to United States income tax, such conversion shall be determined in a manner which does not result in any adverse tax consequences to the Participant pursuant to Section 409A of the Code.

ARTICLE 5
DEFERRED SHARE UNITS

5.1 Granting of DSUs

- (a) The Plan Administrator may fix, from time to time, a portion of the Director Fees that is to be payable in the form of DSUs. In addition, subject to the approval of the Plan Administrator, each Electing Person is given, subject to the conditions stated herein, the right to elect in accordance with Section 5.1(b) to participate in the grant of additional DSUs pursuant to this ARTICLE 5. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this ARTICLE 5 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 Director, in accordance with applicable tax law, between 0% and 100% of any Director 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 will be required to file a notice of election in the form of Schedule “C” hereto (the “**Election Notice**”) with the Chief Financial Officer of the Corporation: (i) in the case of an existing Electing Person, by December 31 in the year prior to the year to which such election is to apply; 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, an initial Election Notice may be filed by the date that is 30 days from the Effective Date 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 5.1(d), the election of an Electing Person under Section 5.1(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 Corporation a notice in the form of Schedule “D” hereto. Such termination shall be effective immediately upon receipt of such notice, provided that the Corporation 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 5.1(b), all subsequent calendar years shall be paid in cash. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this ARTICLE 5, 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 will not take effect until the first day of the calendar year following the calendar year in which the termination notice in the form of Schedule "D" is delivered.

- (e) Any DSUs granted pursuant to this ARTICLE 5 prior to the delivery of a termination notice pursuant to Section 5.1(d) shall remain in the Plan following such termination and will be redeemable only in accordance with the terms of the Plan.
- (f) The number of DSUs (including fractional DSUs) granted at any particular time pursuant to this ARTICLE 5 will be calculated by dividing (i) the amount of any compensation that is to be paid in DSUs (including Director Fees and any Elected Amount), as determined by the Plan Administrator, by (ii) the Market Price of a Share on the Award Date.
- (g) In addition to the foregoing, the Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant DSUs to any Participant.

5.2 DSU Account

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

5.3 Vesting of DSUs

Except as provided in Sections 10.1 and 11.2, no DSUs issued to a Participant may vest before the date that is one year following the date they are granted.

5.4 Settlement of DSUs

- (a) DSUs shall be settled on the date established in the Award Agreement; provided, however that in no event shall an Award in the form of a DSU be settled prior to, or later than one (1) year following, the date of the applicable Participant's separation from service. In the case of a Participant (other than a Canadian Participant), in no event shall an Award in the form of a DSU be settled later than three (3) years following the date of the applicable Participant's separation from service. If the Award Agreement does not establish a date for the settlement of the DSUs, then the settlement date shall be the date of separation from service, subject to the delay that may be required under Section 12.6(d) below in the case of a U.S. Participant. Subject to Section 12.6(d) below in the case of a U.S. Participant, and except as otherwise provided in an Award Agreement, on the settlement date for any DSU, the Participant shall redeem each vested DSU for:
 - (i) one fully paid and non-assessable 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 paragraphs (i) and (ii) above, in each case as determined by the Plan Administrator in its sole discretion.
- (b) Any cash payments made under this Section 5.4 by the Corporation 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 Corporation's payroll in the pay period that the settlement date falls within.

ARTICLE 6
RESTRICTED SHARE UNITS

6.1 Granting of RSUs

- (a) The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any Participant in respect of services rendered in the year of grant. The terms and conditions of each RSU grant shall be evidenced by an Award Agreement.
- (b) The number of RSUs (including fractional RSUs) granted at any particular time pursuant to this ARTICLE 6 will be calculated by dividing (i) the amount of any compensation that is to be paid in RSUs, as determined by the Plan Administrator, by (ii) the Market Price of a Share on the relevant date.

6.2 RSU Account

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

6.3 Vesting of RSUs

Except as provided in Sections 10.1 and 11.2, no RSUs issued to a Participant may vest before the date that is one year following the date they are granted.

6.4 Settlement of RSUs

- (a) The Plan Administrator shall have the sole authority to determine the settlement terms applicable to the grant of RSUs. Subject to Section 12.6(d) below and except as otherwise provided in an Award Agreement, on the settlement date for any RSU, the Participant shall redeem each vested RSU for:
 - (i) one fully paid and non-assessable 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 paragraphs (i) and (ii) above, in each case as determined by the Plan Administrator in its sole discretion.

- (b) Any cash payments made under this Section 6.4 by the Corporation 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 Corporation's payroll in the pay period that the settlement date falls within.
- (d) Subject to Section 12.6(d) below and except as otherwise provided in an Award Agreement, no settlement date for any RSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any RSU, under this Section 6.4 any later than the final Business Day of the third calendar year following the year in which the RSU is granted.

ARTICLE 7

PERFORMANCE SHARE UNITS

7.1 Granting of PSUs

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any Participant in respect of services rendered in the year of grant. The terms and conditions of each PSU grant shall be evidenced by an Award Agreement. Each PSU will consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 7.6(a)), upon the achievement of such Performance Goals during such performance periods as the Plan Administrator shall establish.

7.2 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 or consulting arrangement and the amount of any payment or transfer to be made pursuant to any PSU will be determined by the Plan Administrator and by the other terms and conditions of any PSU, all as set forth in the applicable Award Agreement.

7.3 Performance Goals

The Plan Administrator will issue Performance Goals prior to the Award Date 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 Plan Administrator. The Plan Administrator may modify the Performance Goals as necessary to align them with the Corporation's corporate objectives, subject to any limitations set forth in an Award Agreement or an employment agreement, consulting agreement or other agreement with a Participant. The Performance Goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur), and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur), all as set forth in the applicable Award Agreement.

7.4 PSU Account

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

7.5 Vesting of PSUs

Except as provided in Sections 10.1 and 11.2, no PSUs issued to a Participant may vest before the date that is one year following the date they are granted.

7.6 Settlement of PSUs

- (a) The Plan Administrator shall have the authority to determine the settlement terms applicable to the grant of PSUs. Subject to Section 12.6(d) below and except as otherwise provided in an Award Agreement, on the settlement date for any PSU, the Participant shall redeem each vested PSU for:
 - (i) one fully paid and non-assessable 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 paragraphs (i) and (ii) above, in each case as determined by the Plan Administrator in its sole discretion.
- (b) Any cash payments made under this Section 7.6 by the Corporation 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 RSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.
- (d) Subject to Section 12.6(d) below and except as otherwise provided in an Award Agreement, no settlement date for any PSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any PSU, under this Section 7.6 any later than the final Business Day of the third calendar year following the year in which the PSU is granted.

ARTICLE 8

OTHER SHARE-BASED AWARDS

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Other Share-Based Awards to any Participant, which shall be subject to the prior approval of the Exchange. 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 (1) which is other than an Award or right described in ARTICLE 4, ARTICLE 5, ARTICLE 6, and (2) 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 Plan Administrator to be consistent with the purposes of the Plan; provided, however, that such right will comply with applicable law. Subject to the terms of the Plan and any applicable Award Agreement, the Plan Administrator will determine the terms and conditions of Other

Share-Based Awards. Shares or other securities delivered pursuant to a purchase right granted under this ARTICLE 8 will 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 Plan Administrator shall determine in its discretion.

ARTICLE 9

ADDITIONAL AWARD TERMS

9.1 Dividend Equivalents

- (a) Unless otherwise determined by the Plan Administrator and set forth in the particular Award Agreement, as part of a Participant's grant of DSUs or RSUs (as applicable) and in respect of the services provided by the Participant for such original grant, DSUs and RSUs (as applicable) shall be credited with dividend equivalents in the form of additional DSUs or RSUs, as applicable, as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Such dividend equivalents shall be computed by dividing: (i) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of DSUs or RSUs, as applicable, held by the Participant on the record date for the payment of such dividend, by (ii) the Market Price at the close of the first business day immediately following the dividend record date, with fractions computed to three decimal places. Dividend equivalents credited to a Participant's account shall vest in proportion to the DSUs or RSUs, as applicable, to which they relate, and shall be settled in accordance with Section 6.4.
- (b) The number of additional RSUs and DSUs issued in lieu of dividends must be included in the limits set out in Section 3.6 and 3.7 of this Plan
- (c) The foregoing does not obligate the Corporation to declare or pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

9.2 Blackout Period

In the event that the Award Date occurs, or an Award expires, during a Black-Out Period, the effective Award Date for such Award, or expiry of such Award, as the case may be, will be no later than 10 business days after the last day of the Black-Out Period, and the Market Price with respect to the grant of such Award shall be calculated based on the VWAP of the five business days after the last day of the Black-Out Period. For the purposes hereof, a "Black-Out Period" means that period during which a trading black-out period is imposed by the Corporation to restrict trades in the Corporation's securities by a Participant.

9.3 Withholding Taxes

Notwithstanding any other terms of this Plan, the granting, vesting or settlement of each Award under this Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or settlement, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Corporation the minimum amount as the Corporation or an Affiliate of the Corporation is obliged to withhold or remit to the relevant taxing authority in respect of the granting, vesting or settlement of the Award. Any such additional payment is due no later than the date on which

such amount with respect to the Award is required to be remitted to the relevant tax authority by the Corporation or an Affiliate of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation may (a) withhold such amount from any remuneration or other amount payable by the Corporation or any Affiliate to the Participant, (b) require the sale of a number of Shares issued upon exercise, vesting, or settlement of such Award and the remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount, or (c) enter into any other suitable arrangements for the receipt of such amount.

9.4 Recoupment

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

ARTICLE 10

TERMINATION OF EMPLOYMENT OR SERVICES

10.1 Termination of Employees, Consultants, Directors and Officers

Unless otherwise determined by the Plan Administrator or as set forth in an employment agreement, consulting agreement, Award Agreement or other written agreement (but in no event shall Options or Awards exceed one year following the Termination Date, death, or Disability of a Participant):

- (a) where a Participant's employment agreement, consulting agreement or arrangement is terminated, or the Participant ceases to hold the office of his or her position, as applicable, by reason of voluntary resignation by the Participant or termination by the Corporation or a subsidiary of the Corporation for Cause, then any Option or other Award held by the Participant that has not been exercised as of the Termination Date shall be immediately forfeited and cancelled as of the Termination Date;
- (b) where a Participant's employment agreement, consulting agreement or other position is terminated, or the Participant ceases to hold the office of his or her position, as applicable, by the Corporation or a subsidiary of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice) then all unvested Options or other Awards shall terminate, and all vested Options or other Awards may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the date that is 90 days after the Termination Date (or such other period as may be determined by the Board, provided such period is not more than one year following the Termination Date). Any Option or other Award that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;

- (c) where a Participant becomes Disabled, then any Option or other Award held by the Participant that has not vested as of the date of Disability of such Participant shall terminate, and all Options or other Awards that are vested as of the date of Disability may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the date that is six months after the date of Disability. Any Option or other Award that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;
- (d) where a Participant's employment agreement, consulting agreement or arrangement is terminated, or the Participant ceases to hold office of his or her position, as applicable, by reason of the death of the Participant, then any Option or other Award held by the Participant that has not vested as of the date of the death of such Participant shall terminate, and all Options or other Awards that are vested as of the date of death and may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the six month anniversary of the date of the death of such Participant. Any Option or other Award that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;
- (e) a Participant's eligibility to receive further grants of Options or other Awards under this Plan ceases as of:
 - (i) the date that the Corporation or a subsidiary of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment, consulting agreement or arrangement is terminated, notwithstanding that such date may be prior to the Termination Date; or
 - (ii) the date of the death, or Disability of the Participant; and notwithstanding Section 10.1(b), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Options or other Awards are not affected by a change of employment or consulting agreement or arrangement, or directorship within or among the Corporation or a subsidiary of the Corporation for so long as the Participant continues to be a Director, Employee or Consultant, as applicable, of the Corporation or a subsidiary of the Corporation.

10.2 Discretion to Permit Acceleration

- (a) Notwithstanding the provisions of Section 10.1, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in such Section, or in an employment agreement, consulting agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant, permit the acceleration of vesting of any or all Awards or waive termination of any or all Awards, all in the manner and on the terms as may be authorized by the Plan Administrator; provided that Awards may not be accelerated earlier than one year from the Award Date.

- (b) Notwithstanding the provisions of Section 10.2(a), the Plan Administrator may not permit the acceleration of vesting of any Options granted to any Persons employed to provide Investor Relations Activities without the prior written approval of the Exchange.

10.3 Participants' Entitlement

Except as otherwise provided in this Plan, Awards previously granted under this Plan are not affected by any change in the relationship between, or ownership of, the Corporation and an Affiliate of the Corporation. For greater certainty, all grants of Awards remain outstanding and are not affected by reason only that, at any time, an Affiliate of the Corporation ceases to be an Affiliate of the Corporation.

ARTICLE 11 **EVENTS AFFECTING THE CORPORATION**

11.1 General

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

11.2 Change in Control

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

- (a) The Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause (i) the conversion or exchange of any outstanding Awards into or for, rights or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Awards to vest and become exercisable, realizable, or payable, or restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; (iii) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction net of any exercise price payable by the Participant (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights net of any exercise price payable by the Participant, then such Award may be terminated by the Corporation without payment); (iv) the replacement of such Award with other rights or property selected by the Board in its sole discretion; or (v) any

combination of the foregoing. In taking any of the actions permitted under this Section 11.2(a), the Plan Administrator will not be required to treat all Awards similarly in the transaction. Notwithstanding the foregoing, in the case of Options held by a Canadian Taxpayer, the Plan Administrator may not cause the Canadian Taxpayer to receive (pursuant to this Section 11.2(a)) any property in connection with a Change of Control other than rights to acquire shares of a corporation or units of a “mutual fund trust” (as defined in the Tax Act), of the Corporation or a “qualifying person” (as defined in the Tax Act) that does not deal at arm’s length (for purposes of the Tax Act) with the Corporation, as applicable, at the time such rights are issued or granted.

- (b) Notwithstanding Section 11.2(a), and unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Shares will cease trading on an Exchange, then the Corporation may terminate all of the Awards granted under this Plan (other than Options held by Canadian Taxpayers) at the time of and subject to the completion of the Change in Control transaction by paying to each holder at or within a reasonable period of time following completion of such Change in Control transaction an amount for each Award equal to the fair market value of the Award held by such Participant as determined by the Plan Administrator, acting reasonably, or in the case of Options held by a Canadian Taxpayer by permitting the Canadian Taxpayer to surrender such Options to the Corporation for an amount for each such Option equal to the fair market value of such Option as determined by the Plan Administrator, acting reasonably, upon the completion of the Change in Control (following which such Options may be cancelled for no consideration).
- (c) It is intended that any actions taken under this Section 11.2 will comply with the requirements of Section 409A of the Code with respect to Awards granted to U.S. Taxpayers.

11.3 Reorganization of Corporation’s Capital

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

11.4 Other Events Affecting the Corporation

In the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that warrants the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the

prior approval of the Exchange (if required), authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

11.5 Immediate Acceleration of Awards

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

11.6 Issue by Corporation of Additional Shares

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

11.7 Fractions

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

ARTICLE 12 **U.S. TAXPAYERS**

12.1 Provisions for U.S. Taxpayers

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. The Corporation 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.

12.2 ISOs

Subject to any limitations in Section 3.6(a), the aggregate number of Shares reserved for issuance in respect of granted ISOs shall not exceed 10,000,000 Shares, and the terms and conditions of any ISOs granted to a U.S. Taxpayer on the Award Date 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 Plan Administrator from time to time in accordance with this Plan. At the discretion of the Plan Administrator, ISOs may be granted to any employee of the Corporation, or of a “parent corporation” or “subsidiary corporation”, as such terms are defined in Sections 424(e) and (f) of the Code.

12.3 ISO Grants to 10% Shareholders

Notwithstanding anything to the contrary in this Plan, 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 Corporation or of a “parent corporation” or “subsidiary corporation”, as such terms are defined in Section 424(e) and (f) of the Code, on the Award Date, the term of the Option shall not exceed five years from the time of grant of such Option and the Exercise Price shall be at least 110% of the Market Price of the Shares subject to the Option.

12.4 \$100,000 Per Year Limitation for ISOs

To the extent the aggregate Market Price as at the relevant date of the Shares for which ISOs are exercisable for the first time by any person during any calendar year (under all plans of the Corporation) exceeds \$100,000, such excess ISOs shall be treated as non-qualified stock options.

12.5 Disqualifying Dispositions

Each person awarded an ISO under this Plan shall notify the Corporation 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 (a) within two years from the Award Date or (b) 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 Corporation may, if determined by the Plan Administrator 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 (a) or (b) above, subject to complying with any instructions from such person as to the sale of such Shares.

12.6 Section 409A of the Code

- (a) This Plan will 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, the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Section 409A of the Code, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Section 409A of the Code. The Corporation 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 will the Corporation or any of its subsidiaries or Affiliates 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 the 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) The Plan Administrator, in its sole discretion, may permit the acceleration of the time or schedule of payment of a U.S. Taxpayer's vested Awards in the Plan under circumstances that constitute permissible acceleration events under Section 409A of the Code.
- (d) Notwithstanding any provisions of the Plan to the contrary, in the case of any "specified employee" within the meaning of Section 409A of the Code who is a U.S. Taxpayer, distributions of non-qualified deferred compensation under Section 409A of the Code made in connection with a "separation from service" within the meaning set forth in Section 409A of the Code may not be made prior to the date which is six months after the date of separation from service (or, if earlier, the date of death of the U.S. Taxpayer). Any amounts subject to a delay in payment pursuant to the preceding sentence shall be paid as soon practicable following such six-month anniversary of such separation from service.

12.7 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 Corporation.

ARTICLE 13

AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

13.1 Amendment, Suspension, or Termination of the Plan

The Plan Administrator may from time to time, without notice and without approval of the holders of voting shares of the Corporation, amend, modify, change, suspend or terminate the Plan or any Awards granted pursuant to the Plan as it, in its discretion, determines appropriate, provided, however, that:

- (a) no such amendment, modification, change, suspension or termination of the Plan or any Awards granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable Securities Laws or Exchange requirements; and
- (b) any amendment that would cause an Award held by a U.S. Taxpayer be subject to the additional tax penalty under Section 409A(1)(b)(i)(II) of the Code shall be null and void ab initio with respect to the U.S. Taxpayer unless the consent of the U.S. Taxpayer is obtained.

13.2 Shareholder Approval

Notwithstanding Section 13.1 and subject to any rules of the Exchange, approval of the holders of the Shares shall be required for any amendment, modification or change that:

- (a) increases the percentage of Shares reserved for issuance under the Plan, except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (b) increases or removes the limit on the number of Shares issuable or issued to Insiders as set forth in Section 3.7(d) and Section 3.7(e);
- (c) reduces the exercise price of an Award (for this purpose, a cancellation or termination of an Award of a Participant prior to its Expiry Date for the purpose of reissuing an Award to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Award) except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (d) extends the term of an Award beyond the original Expiry Date (except where an Expiry Date would have fallen within a blackout period applicable to the Participant or within five business days following the expiry of such a blackout period);
- (e) permits an Award to be exercisable beyond 10 years from its Award Date (except where an Expiry Date would have fallen within a blackout period of the Corporation);
- (f) increases or removes the limits on the participation of Directors or Officers;
- (g) permits Awards to be transferred to a Person;
- (h) changes the eligible participants of the Plan; or
- (i) deletes or reduces the range of amendments which require approval of shareholders under this Section 13.2.

13.3 Disinterested Shareholder Approval

Disinterested shareholder approval will be obtained:

- (a) for any reduction in the Exercise Price or extension of the term of an Option if the Participant is an Insider of the Corporation at the time of the proposed amendment; and
- (b) for any changes to the aggregate number of Shares reserved for issuance pursuant to all Awards, other than Options, granted under the Plan, together with any other Security Based Compensation Arrangement, as set out in Section 3.63.6(a).

Disinterested shareholder approval will also be required as specified in the Plan.

13.4 Permitted Amendments

Without limiting the generality of Section 13.1, but subject to Section 13.2, the Plan Administrator may, without shareholder approval, at any time or from time to time, amend the Plan for the purposes of:

- (a) making any amendments to the general vesting provisions of each Award;

- (b) making any amendments to the provisions set out in Article 10;
- (c) making any amendments to add covenants of the Corporation for the protection of Participants, as the case may be, provided that the Plan Administrator shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be;
- (d) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Plan Administrator, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Plan Administrator shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants; or
- (e) making such changes or corrections which, on the advice of counsel to the Corporation, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Plan Administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

ARTICLE 14
MISCELLANEOUS

14.1 Legal Requirement

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

14.2 No Other Benefit

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

14.3 Rights of Participant

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

14.4 Corporate Action

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

14.5 Conflict

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

14.6 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.

14.7 Participant Information

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

14.8 Participation in the Plan

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

14.9 International Participants

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

14.10 Successors and Assigns

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

14.11 General Restrictions on Assignment

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

14.12 Severability

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

14.13 Notices

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

Canada Carbon Inc.
82 Richmond Street East
Toronto, ON, M5C 1P1

Attention: Chief Executive Officer

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

14.14 Effective Date

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

14.15 Governing Law

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

14.16 Submission to Jurisdiction

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

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**CANADA CARBON INC.
EQUITY INCENTIVE PLAN
(THE "PLAN")**

ELECTION NOTICE

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

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

- (a) all of the Shares; or
- (b) _____ of the Shares;

which are the subject of the Award Agreement attached hereto.

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

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

DATED the _____ day of _____, _____.

Signature of Option Holder

**CANADA CARBON INC.
OMNIBUS EQUITY INCENTIVE PLAN
(THE "PLAN")**

NET EXERCISE NOTICE

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

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

- (a) all of the Shares; or
- (b) _____ of the Shares;

which are the subject of the Award Agreement attached hereto.

Pursuant to Section 4.5 of the Plan and the approval of the Board, the number of Shares to be issued in accordance with the instructions of the undersigned shall be as is determined by application of the following formula, after deduction of any income tax or other amounts required by law to be withheld: $X=[Y(A-B)]/A$

Where:

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

Y = the number of Shares underlying the Options being exercised

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

B = the Exercise Price of the Options being exercised

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

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

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

DATED the _____ day of _____, _____.

_____ Dated

_____ (Name of Participant)

_____ (Signature of Participant)

**CANADA CARBON INC.
OMNIBUS EQUITY INCENTIVE PLAN
(THE "PLAN")**

ELECTION NOTICE

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

Pursuant to the Plan, I hereby elect to participate in the grant of DSUs pursuant to Article 5 of the Plan and to receive _____% of my Cash Fees in the form of DSUs in lieu of cash.

I confirm that:

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

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.

Dated

(Name of Participant)

(Signature of Participant)

**CANADA CARBON INC.
OMNIBUS EQUITY INCENTIVE PLAN
(THE "PLAN")**

ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUS

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

Notwithstanding my previous election in the form of Schedule "C" to the Plan, I hereby elect that no portion of the Cash Fees accrued after the date hereof shall be paid in DSUs in accordance with Article 5 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.

Dated

(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.

**CANADA CARBON INC.
OMNIBUS EQUITY INCENTIVE PLAN
(THE "PLAN")**

**ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUS
(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 Schedule "C" to the Plan, I hereby elect that no portion of the Cash Fees accrued after the effective date of this termination notice shall be paid in DSUs in accordance with Article 5 of the Plan.

I understand that this election to terminate receipt of additional DSUs will not take effect until the first day of the calendar year following the year in which I file this termination notice with the Corporation.

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.

Dated

(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.