



# **DATAMETREX AI LIMITED**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF  
DATAMETREX AI LIMITED**

**TO BE HELD ON WEDNESDAY, October 30, 2019**

**and**

**MANAGEMENT INFORMATION CIRCULAR**

**DATED SEPTEMBER 27, 2019**

*This management information circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult your financial, legal, tax or other professional advisor.*

## **DATAMETREX AI LIMITED**

### **Notice of Annual and Special Meeting of Shareholders October 30, 2019**

Notice is hereby given that the annual and special meeting (the “**Meeting**”) of the holders of common shares of **DATAMETREX AI LIMITED** (the “**Corporation**”) will be held at the Toronto office of MNP LLP, Suite 300, 111 Richmond Street W, Toronto, Ontario M5H 2G4, Canada on Wednesday, October 30, 2019 at 03:00 p.m. (Toronto time) for the following purposes:

- (1) to receive the Corporation’s audited financial statements as at and for the financial year ended December 31, 2018 and the auditors’ report thereon, a copy of which is available on [www.sedar.com](http://www.sedar.com);
- (2) to elect directors;
- (3) to appoint the auditors and to authorize the board of directors to fix their remuneration;
- (4) to consider, and if deemed appropriate, re-approve and ratify the Corporation’s stock option plan;
- (5) to consider and, if deemed appropriate, pass, with or without variation, a special resolution authorizing the board of directors to consolidate the common shares of the Corporation on the basis of one (1) new common share for up to eight (8) old common shares, and amend the Corporation’s articles accordingly;
- (6) to consider and, if deemed appropriate, to pass, with or without variation, a special resolution approving a change of the name of the Corporation from “Datametrex AI Limited” to “Nexalogy AI Limited” or such other name as may be selected by the Board of Directors of the Corporation, and an amendment to the articles of the Corporation in connection therewith; and
- (7) to transact such other business as may properly come before the Meeting or any adjournment thereof.

The specific details of the foregoing matters to be put before the Meeting are set forth in the management information circular (“**Circular**”) accompanying this Notice of Meeting.

Shareholders are invited to attend the Meeting. *Registered shareholders* who are unable to attend the Meeting in person are requested to read the Circular and the form of proxy which accompanies this notice and to complete, sign, date and deliver the form of proxy, together with the power of attorney or other authority, if any, under which it was signed (or a notarially certified copy thereof) to the Corporation’s transfer agent, TSX Trust Company, 100 Adelaide St. W., Suite 301, Toronto, Ontario M5H 4H1, or by fax at (416) 595-9593, Attention: Proxy Department. *Non-registered shareholders* who receive the Circular and form of proxy through an intermediary must deliver the voting form provided in accordance with the instructions given by such intermediary. To be effective, proxies must be received by TSX Trust Company not later than Monday, October 28, 2019 at 3:00

p.m. (Toronto time), or in the case of any adjournment of the Meeting not later than 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays, or any adjournment thereof.

DATED the 27th day of September, 2019.

By Order of the Board of Directors

*“Andrew Ryu”*

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**ANDREW RYU,  
CHIEF EXECUTIVE OFFICER AND CHAIRMAN**

## DATAMETREX AI LIMITED

### Management Information Circular for the Annual and Special Meeting of Shareholders October 30, 2019

#### PROXIES

##### Solicitation of Proxies

This Management Information Circular (the “Circular”) is furnished in connection with the solicitation, by or on behalf of the management of Datametrex AI Limited (the “Corporation”), of proxies to be used at the Corporation’s annual and special meeting of the holders of common shares (the “Common Shares” or “Shares”) to be held at 3:00 p.m. (Toronto time) on Wednesday, October 30, 2019 (the “Meeting”) or at any adjournment thereof. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by directors, officers or employees of the Corporation without special compensation, or by the Corporation’s transfer agent, TSX Trust Company at nominal cost. The cost of solicitation will be borne by the Corporation.

##### Appointment of Proxyholder

The person(s) designated by management of the Corporation in the enclosed form of proxy are directors or officers of the Corporation. **Each shareholder has the right to appoint as proxyholder a person or company (who need not be a shareholder of the Corporation) other than the person(s) or company(ies) designated by management of the Corporation in the enclosed form of proxy to attend and act on the shareholder’s behalf at the Meeting or at any adjournment thereof.** Such right may be exercised by inserting the name of the person or company in the blank space provided in the enclosed form of proxy or by completing another form of proxy.

*Registered shareholders* who are unable to attend the Meeting in person are requested to read the Circular and the form of proxy which accompanies the Notice of Annual and Special Meeting of Shareholders (the “**Notice of Meeting**”) and to complete, sign, date and deliver the form of proxy, together with the power of attorney or other authority, if any, under which it was signed (or a notarially certified copy thereof) to the Corporation’s transfer agent, TSX Trust Company, 100 Adelaide St. W., Suite 301, Toronto, Ontario M5H 4H1, or by fax at (416) 595-9593, Attention: Proxy Department. *Non-registered shareholders* who receive the Circular and form of proxy through an intermediary must deliver the proxy in accordance with the instructions given by such intermediary. To be effective, proxies must be received by TSX Trust Company not later than Monday, October 28, 2019 at 3:00 p.m. (Toronto time), or in the case of any adjournment of the Meeting not later than 48 hours prior to the meeting, excluding Saturdays, Sundays and holidays, or any adjournment thereof.

##### Revocation of Proxy

A shareholder who has given a form of proxy may revoke it as to any matter on which a vote has not already been held pursuant to its authority by an instrument in writing executed by the shareholder or by the shareholder’s attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized and deposited at either the above mentioned office of TSX Trust Company by no later than 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays, or any adjournment or postponement thereof, or with the Chairman of the Meeting on

the day of the Meeting or any adjournment thereof. Notwithstanding the foregoing, if a registered shareholder attends personally at the Meeting, such shareholder may revoke the proxy and vote in person.

### **Voting of Proxies**

On any ballot that may be called for, the Common Shares represented by a properly executed proxy given in favour of the person(s) designated by management of the Corporation in the enclosed form of proxy will be voted or withheld from voting in accordance with the instructions given on the form of proxy, and if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying Notice of Meeting and with respect to other matters which may properly come before the Meeting or any adjournment thereof. As of the date of this Circular, management of the Corporation is not aware of any such amendment, variation or other matter to come before the Meeting. However, if any amendments or variations to matters identified in the accompanying Notice of Meeting or any other matters which are not now known to management should properly come before the Meeting or any adjournment thereof, the Common Shares represented by properly executed proxies given in favour of the person(s) designated by management of the Corporation in the enclosed form of proxy will be voted on such matters pursuant to such discretionary authority.

### **Advice to Beneficial Shareholders**

**The information set forth in this section is of importance to many shareholders, as a substantial number of shareholders do not hold Common Shares in their own name.** In many cases, Common Shares beneficially owned by a holder (a “**Beneficial Holder**”) are registered either (a) in the name of an intermediary that the Beneficial Holder deals with in respect of the Common Shares. Intermediaries include banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, or (b) in the name of a depository (such as Clearing and Depository Services Inc. or “**CDS**”). Beneficial Holders should note that only proxies deposited by shareholders who are registered shareholders (that is, shareholders whose names appear on the records maintained by the registrar and transfer agent for the Common Shares as registered holders of Common Shares) will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Holder by a broker, those Common Shares will, in all likelihood, not be registered in the shareholder’s name. Such Common Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted at the direction of the Beneficial Holder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Holder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to forward meeting materials to Beneficial Holders, unless the Beneficial Holder has waived the right to receive them, and seek voting instructions from Beneficial Holders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Holders in order to ensure that their Common

Shares are voted at the Meeting.

The voting instruction form supplied to such Beneficial Holders by their broker (or the agent of the broker) is substantially similar to the form of proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) on how to vote on behalf of the Beneficial Holder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Holders and asks Beneficial Holders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Holder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Holder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker, CDS & Co. or another intermediary, the Beneficial Holder may attend the Meeting as proxyholder and vote the Common Shares in that capacity. **Beneficial Holders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder, should enter their own names in the blank space on the voting instruction form provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

Beneficial Holders fall into two categories - those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**NOBOs**"). Subject to the provisions of National Instrument 54-101, issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials to such NOBOs. If you are a NOBO and the Corporation or TSX Trust has sent the meeting materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf. The Corporation's OBOs can expect to be contacted by their respective intermediaries. The Corporation intends to pay for intermediaries to deliver the meeting materials to OBOs.

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

## VOTING SHARES

### Voting Shares

As at the close of business on September 27, 2019, the Corporation had 226,081,561 Common Shares outstanding, each carrying the right to one vote per share. Except as otherwise noted in this Circular, a simple majority of the votes cast at the Meeting, whether in person, by proxy or otherwise, will constitute approval of any matter submitted to a vote. All shareholders have the right to vote for

directors. 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 shareholder appointing them. **In the absence of such direction, those Common Shares will be voted in favour of (“For”) all resolutions.**

### **Record Date**

The board of directors of the Corporation (the “**Board of Directors**” or the “**Board**”) has fixed September 30, 2019 as the record date (the “**Record Date**”) for the purpose of determining holders of Common Shares entitled to receive notice of and to vote at the Meeting. Any holder of Common Shares of record at the close of business on the Record Date is entitled to vote the Common Shares registered in such shareholder’s name at that date on each matter to be acted upon at the Meeting.

### **Principal Shareholders**

To the knowledge of the directors and executive officers of the Corporation, as at the date of this Circular, no person beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of the voting rights attached to the outstanding Common Shares of the Corporation.

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

### **1. Financial Statements**

The audited financial statements for the year ended December 31, 2018 of the Corporation together with the auditors’ report thereon have been delivered to the holders of Common Shares. No formal action will be taken at the Meeting to approve the financial statements. If any holder of Common Shares has questions respecting the financial statements, the questions may be brought forward at the Meeting.

### **2. Election of Directors**

The Board of Directors has fixed the number of directors to be elected at the Meeting at five (5). Under the by-laws of the Corporation, directors of the Corporation are elected annually. Each director will hold office until the next annual meeting or until the successor of such director is duly elected or appointed, unless such office is earlier vacated in accordance with the by-laws.

**In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the election as directors of the proposed nominees whose names are set forth below, each of whom has been a director since the date indicated below opposite the proposed nominee’s name.** Management does not contemplate that any of the proposed nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly executed proxies given in favour of such nominee(s) may be voted by the person(s) designated by management of the Corporation in the enclosed form of proxy, in their discretion, in favour of another nominee.

The following table sets forth information with respect to each person proposed to be nominated for election as a director, including the number of Common Shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction was exercised, by such person or the person’s associates or affiliates as at the date of this Circular. The information as to Common Shares

beneficially owned or over which control or direction is exercised, not being within the knowledge of the Corporation, has been furnished by the respective proposed nominees individually.

Nominee Name and Place of Residence	Present and Principal Occupation, Business or Employment for Previous 5 years	Became Director	Number of Common Shares beneficially owned, controlled or directed
Andrew Ryu <sup>(2)</sup> Ontario, Canada	Chief Executive Officer and Chairman of the Corporation since June 2017. Previously Chairman and Chief Executive Officer of Datametrex Limited from September 2016 to June 2017. Prior thereto, he was Chief Executive Officer of Cozumo Inc. from July 2015 to June 2016 and prior thereto he was Chief Executive Officer of Loyalist Group Limited from February 2009 until May 2015.	June 8, 2017	19,801,000 <sup>(1)</sup>
Charles Schade <sup>(2)</sup> Ontario, Canada	Co-Founder & former President of NPD Canada Inc., and President of CWS Consulting since 2008.	June 8, 2017	200,000
Janeen Stodulski <sup>(2)</sup> Ontario, Canada	Partner, Client Services of MNP LLP as of April 2019. She was previously a Director and senior manager at Grant Thornton LLP/CapservCo LLP from February 2016 to April 2019. Prior to that, she was the President and Principal of Janeen Stodulski Professional Corp.	July 3, 2018	Nil
David N. Ellison Ontario, Canada	Principal at and founder of Acuity Corporate Securities Lawyers	N/A	Nil
John McMullen Ontario, Canada	President of Elixer Ltd. Over 20 years' experience in international capital Markets	N/A	Nil

(1) 14,601,000 held directly and 5,200,000 held indirectly through Seinecliffe Management Ltd., a company wholly owned by Andrew Ryu

(2) Member of the Board's Audit Committee.

### *Corporate Cease Trade Orders or Bankruptcies*

Other than as disclosed below, no person proposed to be nominated for election as a director at the Meeting is or has been, within the preceding ten years, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (a) was the subject of a cease trade or similar order, or an order that denied such company access to any exemptions under applicable securities legislation that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or
- (b) was the subject of a cease trade or similar order, or an order that denied such company access to any exemptions under applicable securities legislation 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.

No person proposed to be nominated for election as a director at the Meeting is or has been, within the preceding ten years, 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.

No person proposed to be nominated for election as a director at the Meeting is or has, within the preceding ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

### **3. Appointment of Independent Auditors**

On February 7, 2019, MNP, LLP resigned from its appointment as auditors of the Corporation and the Board of Directors appointed KPMG, LLP as the successor auditor for the Corporation. The Corporation filed a change of auditor notice on March 12, 2019 in accordance with National Instrument 51-102 (NI 51-102) in which the Corporation confirmed that:

- MNP resigned as auditors for the Corporation prior to providing any report on the consolidated financial statements of the Corporation and therefore did not express a modified opinion; and
- There were no “reportable events” (as defined in NI-51-102) in association with the change of auditors of the Corporation.

MNP, LLP and KPMG, LLP filed letters with the securities regulatory authorities in each of British Columbia, Alberta and Ontario confirming their agreement with the information set out in the Corporation’s change of auditor notice. A copy of the reporting package containing the notice and letters referred to above are attached as Schedule A to this circular.

You will be asked to vote for the appointment of KPMG, LLP, Chartered Accountants of Toronto, Ontario as the Corporation’s auditor for the ensuing year and to authorize the directors to set the auditor’s compensation. Unless such authority is withheld, the persons named in the accompanying Proxy intend to vote for the appointment of KPMG LLP as auditors for the Corporation for the year ending December 31, 2019 and to authorize the directors to fix their remuneration.

### **4. Re-approval of the Stock Option Plan**

The Corporation’s stock option plan (the “**Stock Option Plan**”) is a rolling stock option plan. The Stock Option Plan provides that the Board of Directors may from time to time, in its discretion, and in accordance with applicable TSXV rules, grant options to acquire Common Shares (“**Options**”) to directors, officers and employees of the Corporation and its affiliates and to consultants, consultant companies and management company employees (each an “**Optionee**”), provided that the Common Shares that may be reserved for issuance under the Option Plan (the “**Plan Shares**”) at any point in time will not be greater than 10% of the issued and outstanding Common Shares at the time the Plan Shares are reserved for issuance as a result of the grant of an Option, less any Common Shares reserved for issuance under convertible securities that may be granted pursuant to other incentive compensation arrangements other than the Option Plan. The purpose of the Option Plan is to recognize contributions made by Optionees and to create an incentive for their continuing assistance. Options provide incentive and encouragement for ownership of Common Shares by key individuals and employees so that they may increase their stake in the Corporation and benefit from increases

in the value of Common Shares.

The total number of Options granted to any Optionee, together with any other incentive compensation arrangements granted to such Optionee during any 12 month period, cannot exceed 5% of the issued and outstanding Common Shares at the time of grant. The aggregate number of Options granted to any one consultant in any 12 month period cannot exceed 2% of the issued and outstanding Common Shares at the time of grant, without the prior consent of the TSXV. The aggregate number of Options granted to all Optionees conducting investor relations activities in any 12-month period cannot exceed 2% of the issued and outstanding Common Shares at the time of grant, without the prior consent of the TSXV. The Corporation is required to obtain disinterested shareholder approval if, at any time:

- (i) in the event that the Option Plan is amended to reserve for issuance more than 10% of the issued and outstanding Common Shares, the aggregate number of Common Shares reserved for issuance to all insiders would exceed 10% of the outstanding Common Shares at the time of grant;
- (ii) in the event that the Option Plan is amended to reserve for issuance more than 10% of the issued and outstanding Common Shares, the number of Common Shares issued to all insiders within a 12-month period would exceed 10% of the issued and outstanding Common Shares at the time of grant; or
- (iii) the number of Common Shares issued to any one Optionee within any 12-month period would exceed 5% of the issued and outstanding Common Shares at the time of grant.

Options issued pursuant to the Option Plan will have an exercise price determined by the Board of Directors provided that the exercise price will not be less than the greater of \$0.05 per share and the "Discounted Market Price" as defined in the policies of the TSXV. Disinterested shareholder approval is required for any amendment to decrease the exercise price of an Option previously granted to an insider.

The vesting of the Options is at the discretion of the Board, except in the case of an Optionee performing investor relations activities, in which case the Option Plan requires that Options vest over a minimum of 12 months with no more than one quarter of such Options vesting during any three month period. Options will vest immediately in the absence of a vesting schedule being specified at the time of grant. Where applicable, vesting of Options will generally be subject to:

- (a) an Optionee remaining employed by or continuing to provide services to the Corporation or any of its affiliates as well as the achievement of certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Corporation; or
- (b) an Optionee remaining as a director of the Corporation or any of its affiliates, as applicable.

Options will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board and the Optionee at any time prior to the expiry of the Option or such other time as prescribed by Section 7 of TSXV Policy 2.4 – *Capital Pool Companies* (if applicable)) following the date the Optionee ceases to be a director, officer or employee of the Corporation or its affiliates or a consultant, consultant company or a management company employee, provided that if the cessation of such position or arrangement was by reason of death, the Option may be exercised within a

maximum period of one year after such death, subject to the expiry date of such Option. Options are exercisable for a maximum of 10 years from the date of grant.

Under TSXV rules, the Option Plan must be approved and ratified by shareholders and submitted to the TSXV for acceptance on an annual basis. If shareholder approval of the Option Plan is obtained, any Options granted or amendments made to Options previously granted pursuant to the Option Plan will not require further shareholder approval (other than in the certain circumstances described earlier above) although a notice of Options granted under the Option Plan must be given to the TSXV.

In the event that the Option Plan is not re-approved by shareholders at the Meeting, the Corporation will not have an operative stock option plan and therefore the Board will not be able to issue additional Options until such time as another stock option plan is created and approved, and may consequently have difficulty attracting and retaining high caliber personnel. However, whether or not the Option Plan is re-approved, all Options currently outstanding under the Option Plan will remain in effect in accordance with their terms.

As of the date of this Circular, there are Options to purchase 9,743,940 Common Shares currently issued and outstanding.

At the Meeting, shareholders will be asked to consider, and, if deemed advisable, to approve, with or without variation, an ordinary resolution re-approving the Option Plan. The text of the ordinary resolution which management intends to place before the Meeting for the approval of the Option Plan is as follows:

**“BE IT HEREBY RESOLVED** as an ordinary resolution of the shareholders of Datametrex AI Limited (the **“Corporation”**) that:

1. the Stock Option Plan of the Corporation, as substantially described in the management information circular of the Corporation dated September 27, 2019, be and is hereby confirmed, ratified and approved as the stock option plan of the Corporation; and
2. any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

The foregoing ordinary resolution must be approved by a simple majority of the votes cast at the Meeting by the holders of Common Shares voting in person or by proxy. **The Board believes the passing of the above resolution is in the best interests of the Corporation and recommends that the holders of Common Shares vote FOR the resolution. Unless otherwise directed, it is the intention of the persons designated in the enclosed form of proxy to vote FOR the ordinary resolution approving the Option Plan for the ensuing year.**

## **5. Approval of Share Consolidation**

The Board proposes to reduce the number of Common Shares of the Corporation. In order to increase its flexibility with respect to potential business transactions, including any equity financings, if determined by the Corporation to be necessary. Shareholders are being asked to consider and, if thought fit, to pass the special resolution authorizing the Board, in its sole discretion,

to consolidate the Common Shares on the basis of one (1) new Common Share for up to eight (8) old Common Shares (the “**Consolidation**”) and amending the Corporation’s articles accordingly. Notwithstanding approval of the Consolidation by shareholders, the Board of Directors may, in its sole discretion, revoke this special resolution, and abandon the Consolidation without further approval or action by or prior notice to shareholders.

Prior to making any amendment to effect the Consolidation, the Corporation shall first be required to obtain any and all applicable regulatory and relevant approvals from the TSX Venture Exchange. The Board believes shareholder approval of a maximum potential consolidation ratio (rather than a single consolidation ratio) of one (1) post-Consolidation Common Share for up to eight (8) pre-Consolidation Common Shares provides the Board with flexibility to achieve the desired results of the Consolidation. If this special resolution is approved, the Consolidation will be implemented, if at all, only upon a determination by the Board that the Consolidation is in the best interests of the Corporation and its shareholders at that time. In connection with any determination to implement a Consolidation, the Corporation’s Board will set the timing for such a consolidation and select the specific ratio from within the range for a ratio set forth in the special resolution.

#### *Certain Risks Associated with the Consolidation*

There can be no assurance that the total market capitalization of the Corporation’s Common Shares (the aggregate value of all Common Shares at the then market price) immediately after the Consolidation will be equal to or greater than the total market capitalization immediately before the Consolidation. In addition, there can be no assurance that the per-share market price of the Common Shares following the Consolidation will be higher than the per share market price immediately before the Consolidation or equal or exceed the direct arithmetical result of the Consolidation. In addition, a decline in the market price of the Common Shares after the Consolidation may result in a greater percentage decline than would occur in the absence of a Consolidation and the liquidity of the Common Shares could be adversely affected. There can be no assurance that, if the Consolidation is implemented, the margin terms associated with the purchase of Common Shares will improve or that the Corporation will be successful in receiving increased attention from institutional investors.

### *Principal Effects of the Consolidation*

As of September 27, 2019, the Corporation had 226,081,561 Common Shares issued and outstanding. Following the completion of the proposed Consolidation, the number of Common Shares of the Corporation issued and outstanding will depend on the ratio selected by the Corporation's Board. The following table sets out the appropriate number of Common Shares that would be outstanding as a result of the Consolidation at the ratios suggested below.

**Table – Consolidation Ratio**

<b>Consolidation Ratio</b>	<b>Approximate Number of Outstanding Shares (Post Consolidation)<sup>(1)</sup></b>
1 for 8	28,260,195
1 for 7	32,297,366
1 for 6	37,680,260
1 for 5	45,216,312
1 for 4	56,520,390
1 for 3	75,360,520
1 for 2	113,040,780

**Notes:**

1. Based on the outstanding number of Common Shares as at September 27, 2019, being 226,081,561. All numbers rounded to the nearest whole share.

### *Tax Effect*

The Consolidation will not give rise to a capital gain or loss under the *Income Tax Act* (Canada) for a shareholder who holds such Common Shares as capital property. The adjusted cost base to the shareholder of the new Common Shares immediately after the Consolidation will be equal to the aggregate adjusted cost base to the shareholder of the old Common Shares immediately before the Consolidation.

### *Notice of Consolidation and Letter of Transmittal*

If the Corporation effects the Consolidation, a letter of transmittal will be mailed to the shareholders. This letter of transmittal which will need to be duly completed and submitted by any shareholder wishing to receive share certificates representing the post-Consolidation Common Shares to which he, she or it is entitled if the Corporation completes the Consolidation. This letter of transmittal can be used for the purpose of surrendering certificates representing the currently outstanding Common Shares to the Corporation's registrar and transfer agent in exchange for new share certificates representing whole post-Consolidation Common Shares of the Corporation. After the Consolidation, current issued share certificates representing pre-Consolidation Common Shares of the Corporation will (i) not constitute good delivery for the purposes of trades of post-Consolidation Common Shares; and (ii) be deemed for all purposes to represent the number of post-Consolidation Common Shares to which the Shareholder is entitled as a result of the Consolidation. No delivery of a new certificate

to a Shareholder will be made until the Shareholder has surrendered his, her or its current issued certificates.

**No letter of transmittal until will be sent until the Corporation announces by press release that the Consolidation will become effective. The press release will contain instructions as to when the existing share certificates and the letter of transmittal are to be mailed to shareholders and sent to TSX Trust Company, the Corporation's registrar and transfer agent, TSX Trust Company, 100 Adelaide St. W., Suite 301, Toronto, Ontario M5H 4H1, or by fax at (416) 595-9593,**

#### *Fractional Shares*

No fractional common shares of the Corporation will be issued upon the Consolidation. All fractions of post-Consolidation shares will be rounded to the next lowest whole number if the first decimal place is less than five and rounded to the next highest whole number if the first decimal place is five or greater.

#### *Percentage Shareholdings*

The Consolidation will not affect any shareholder's percentage ownership in the Corporation, even though such ownership will be represented by a smaller number of Common Shares. Instead, the Consolidation will reduce proportionately the number of Common Shares held by all shareholders.

#### *Implementation*

The implementation of the special resolution is conditional upon the Corporation obtaining the necessary regulatory consents. The special resolution provides that the Board is authorized, in its sole discretion, to determine not to proceed with the proposed Consolidation, without further approval of the Corporation's shareholders. In particular, the Board of Directors may determine not to present the special resolution to the Meeting or, if the special resolution is presented to the Meeting and approved, may determine after the meeting not to proceed with completion of the proposed Consolidation and filing the articles of amendment. If the Board does not implement the Consolidation within 36 months of the Meeting, the authority granted by the special resolution to implement the Consolidation on these terms would lapse and be of no further force or effect.

#### *Effect on Non-registered Shareholders*

Non-registered shareholders holding their Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing the Consolidation than those that will be put in place by the Corporation for registered shareholders. 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.

At the Meeting, the Shareholders will be asked to pass a special resolution, with or without amendment, to approve the Consolidation. The following is the text of the resolution to be considered by the Shareholders at the meeting:

#### **“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. The Corporation be and is hereby authorized to consolidate the issued and outstanding

Common Shares in the capital of the Corporation on the basis of one (1) new Common Share for up to every eight (8) Common Shares presently issued and outstanding (the “**Consolidation**”) and amend the Corporation’s Articles accordingly;

2. any one director or officer of the Corporation be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, prepare and file Articles of Amendment for the Corporation to effect the Consolidation or make any changes required by the Canadian Securities Exchange or applicable securities regulatory authorities; and
3. notwithstanding the passing of this special resolution by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered without further notice to or approval of the Shareholders of the Corporation not to proceed with the Consolidation or to revoke this resolution at any time prior to the Consolidation becoming effective.”

The foregoing special resolution must be approved by a two-thirds majority of the votes cast at the Meeting by the holders of Common Shares voting in person or by proxy. **The Board believes the passing of the above special resolution is in the best interests of the Corporation and recommends that the holders of Common Shares vote FOR the resolution. Unless otherwise directed, it is the intention of the persons designated in the enclosed form of proxy to vote FOR the special resolution approving the Consolidation.**

## **6. Change of Corporation’s Name to Nexalogy AI Limited**

The Board is proposing to change the name of the Corporation to, “***Nexalogy AI Limited***”. Management believes that Nexalogy AI Limited better describes the product and service offerings of the Corporation and will be beneficial to the Corporation’s re-branding efforts, strategic focus and continued development of its proprietary Nexalogy software. Management is recommending that the name of the Corporation be changed from “Datametrex AI Limited” to “Nexalogy AI Limited” or such other name as may be selected by the Board.

At the Meeting, shareholders will be asked to consider and, if thought fit, to pass, with or without amendment, the following special resolution:

### **“BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:**

1. the Articles of the Corporation be amended to change the name of the Corporation from “Datametrex AI Limited.” to “Nexalogy AI Limited”, or such other name as may be selected by the Board;
2. any one officer or director of the Corporation, alone, be and he or she is hereby, authorized and empowered, acting for, in the name of and on behalf of the Corporation, to do all things and execute all instruments determined necessary or desirable to give effect to this special resolution including, without limitation, to execute (under the corporate seal of the Corporation or otherwise) and deliver articles of amendment of the Corporation, the execution of any such instrument or the doing of any such other act or thing being conclusive evidence of such determination; and
3. the directors of the Corporation, in their sole and complete discretion, may act upon this resolution to effect the name change, or if deemed appropriate and without any further approval from

the shareholders of the Corporation, may choose not to act upon this resolution notwithstanding shareholder approval of the name change and are authorized to revoke this resolution in their sole discretion at any time prior to the endorsement of a certificate of amendment of articles in respect of the name change.”

In order to be effective, the foregoing resolution requires the approval of not less than 66 2/3% of the votes cast by the shareholders represented at the Meeting in person or by proxy.

Even if the foregoing resolution is approved, the Board retains the power to revoke it at all times without any further approval by the Shareholders. The Board will only exercise such power in the event that it is, in its opinion, in the best interest of the Corporation.

The Corporation cannot proceed with the proposed name change without the prior approval of the TSXV. If shareholders pass the resolution and the TSXV approves the name change, the name change will take effect on a date to be coordinated with the TSXV and announced in advance by the Corporation.

The foregoing special resolution must be approved by a two-thirds majority of the votes cast at the Meeting by the holders of Common Shares voting in person or by proxy. **The Board believes the passing of the above special resolution is in the best interests of the Corporation and recommends that the holders of Common Shares vote FOR the resolution. Unless otherwise directed, it is the intention of the persons designated in the enclosed form of proxy to vote FOR the special resolution approving the Name Change.**

## 7. Other Business

The directors and officers of the Corporation are not aware of any matters, other than those indicated in this Circular, which may be submitted to the Meeting for action. However, if any other matters should properly be brought before the Meeting, the enclosed form of proxy confers discretionary authority to vote on such other matters according to the best judgment of the person holding the proxy at the Meeting.

## STATEMENT OF EXECUTIVE COMPENSATION

Under applicable securities legislation, the Corporation is required to disclose certain financial and other information relating to the compensation of the Chief Executive Officer, the Chief Financial Officer and the most highly compensated executive officer of the Corporation as at the date of this Circular whose total compensation was more than \$150,000 for the financial year of the Corporation ended December 31, 2018, other than for the Chief Executive Officer and Chief Financial Officer (collectively the “**Named Executive Officers**”) and for the directors of the Corporation.

### Summary Compensation Table

The following table (presented in accordance with Form 51-102F6V—*Statement of Executive Compensation—Venture Issuers* (“**Form 51-102F6V**”) under National Instrument 51-102—*Continuous Disclosure Obligations*) (“**NI 51-102**”) sets out all direct and indirect compensation for, or in connection with, services provided to the Corporation and its subsidiaries for the two most recently completed financial years of the Corporation ended December 31, 2017 and December 31, 2018, in respect of the Named Executive Officers as well as the directors of the Corporation.

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 (\$)
Andrew Ryu <sup>(1)</sup> <i>Chief Executive Officer, Chairman and Director</i>	2018	240,000	Nil	Nil	Nil	22,000	262,000
	2017	225,000	Nil	Nil	Nil	Nil	225,000
Jeff Stevens <sup>(2)</sup> <i>President and Chief Operating Officer</i>	2018	180,000	Nil	Nil	Nil	16,500	196,500
	2017	173,333	Nil	Nil	Nil	Nil	173,333
John Randolph Clifford <sup>(3)</sup> <i>Chief Financial Officer</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	16,560	Nil	Nil	Nil	Nil	16,560
Charles Schade <sup>(4)</sup>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Janeen Stodulski <sup>(5)</sup>	2018	Nil	Nil	Nil	Nil	Nil	Nil

(1) Appointed CEO and Chairman on June 8, 2017.

(2) President and COO since June 8, 2017.

(3) Appointed CFO on June 8, 2017 and resigned on May 24, 2019.

(4) Appointed director on June 8, 2017.

(5) Appointed Director on July 3, 2018.

### **Stock Options and Other Compensation Securities**

The following table discloses all compensation securities granted or issued to each director and Named Executive Officer of the Corporation for the most recently completed financial year (ended December 31, 2018).

<u>Compensation Securities</u>							
<u>Name and Position</u>	<u>Type of compensation security</u>	<u>Number of compensation securities, number of underlying securities, and percentage of class</u>	<u>Date of issue or grant</u>	<u>Issue, conversion, or exercise price (\$)</u>	<u>Closing price of security or underlying security on date of grant (\$)</u>	<u>Closing price of security or underlying security at year end (\$)</u>	<u>Expiry date</u>
Andrew Ryu <i>Chief Executive Officer, Chairman and Director</i>	Stock options	1,500,000	Jan. 22, 2018	0.225 <sup>(4)</sup>	0.295	0.04	Jan. 22, 2020
		2,000,000	Oct. 9, 2018	0.07	0.055	0.04	Oct. 9, 2020
John Randolph Clifford <i>Chief Financial Officer</i>	Stock options	250,000	Oct. 9, 2018	0.07	0.055	0.04	Oct. 9, 2020

<b>Compensation Securities</b>							
<b><u>Name and Position</u></b>	<b><u>Type of compensation security</u></b>	<b><u>Number of compensation securities, number of underlying securities, and percentage of class</u></b>	<b><u>Date of issue or grant</u></b>	<b><u>Issue, conversion, or exercise price (\$)</u></b>	<b><u>Closing price of security or underlying security on date of grant (\$)</u></b>	<b><u>Closing price of security or underlying security at year end (\$)</u></b>	<b><u>Expiry date</u></b>
Jeff Stevens <i>President and Chief Operating Officer</i>	Stock options	1,200,000	Jan, 22, 2018	0.225 <sup>(4)</sup>	0.295	0.04	Jan. 22, 2020
		1,000,000	Oct. 9, 2018	0.07	0.055	0.04	Oct. 9, 2020
Cory Taylor <sup>(1)</sup> Director	Stock options	250,000	March 8, 2018	0.225 <sup>(4)</sup>	0.165	0.04	March 8, 2020
Andrew Male <sup>(1)</sup> Director	Stock options	250,000	March 8, 2018	0.225 <sup>(4)</sup>	0.165	0.04	March 8, 2020
Charles Schade Director	Stock options	250,000	March 8, 2018	0.225 <sup>(4)</sup>	0.165	0.04	March 8, 2020
		250,000	Oct. 9, 2018	0.07	0.055	0.04	Oct. 9, 2020
Joshua Gerstein Director	Stock Options	315,081	March 8, 2018	0.225 <sup>(4)</sup>	0.165	0.04	March 8, 2020
		250,000	Oct. 9, 2018	0.07	0.055	0.04	Oct. 9, 2020
Janeen Stodulski <sup>(2)</sup> Director	Stock Options	250,000	Oct. 9, 2018	0.07	0.055	0.04	Oct. 9, 2020
Pankaj Varma <sup>(3)</sup> Director	Stock Options	250,000	Oct. 9, 2018	0.07	0.055	0.04	Oct. 9, 2020

(1) Resigned as of July 3, 2018

(2) Appointed as of July 3, 2018(3) Appoint as of July 3, 2018 and resigned as of November 26, 2018(4) Options were re-priced to \$0.10 at November 30, 2018

### ***Stock Option Exercises***

No Options were exercised by any director or Named Executive Officer during the year ended December 31, 2018.

### ***Stock Option Plans and Other Incentive Plans***

The Stock Option Plan comprises the Corporation's only form of security-based incentive compensation plan. For further information regarding the Stock Option Plan, see above, *Section 4. "Re-approval of the Stock Option Plan"*.

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

Effective January 1, 2018, the Corporation entered into an employment agreement with Andrew Ryu, which provides for his employment as Chief Executive Officer, which has an initial term of five (5) years (the "**Initial Term**"), as well as an automatic renewal for a subsequent term of one (1) year unless, not less than 90 days prior to the expiry of the Initial Term, the Corporation provides a written

notice of non-renewal. For the first year of the Initial Term, the agreement provides Mr. Ryu with an annual base salary of \$240,000, increasing to \$300,000 annually on the Corporation achieving revenue of \$5,000,000 per year or achieving a market capitalization of \$30,000,000. Mr. Ryu's salary will increase to \$360,000 annually if the Corporation reaches revenue of \$10,000,000 or a market capitalization of \$50,000,000. Mr. Ryu's agreement also provides for employee benefits comparable to other senior employees of the Corporation and an automobile allowance of \$2,000 per month. Mr. Ryu is also entitled to an annual bonus equal to 1% of year-over-year revenue growth.

Mr. Ryu's agreement provides for severance pay ("**Termination Compensation**") of the aggregate of the following amounts: (i) annual base salary for the then current fiscal year of the Corporation and (ii) an amount equal to the greater of (a) two times the annual base salary, and (b) an amount equal to the result obtained when the annual base salary is multiplied by a fraction, the numerator of which is the number of days between the date of termination and Mr. Ryu's retirement date and the denominator of which is 365. Upon a change in control, Mr. Ryu may elect to have the Corporation purchase all of his outstanding Common Shares of the Corporation at a price equal to the average closing trading price of the Common Shares for the previous 30 days.

Effective January 1, 2018, the Corporation entered into an employment agreement with Jeffrey Stevens, which provides for his employment as President and Chief Operating Officer, which has an initial term of five (5) years (the "**Initial Term**"), as well as an automatic renewal for a subsequent term of one (1) year unless, not less than 90 days prior to the expiry of the Initial Term, the Corporation provides a written notice of non-renewal. For the first year of the Initial Term, the agreement provides Mr. Stevens with an annual base salary of \$180,000, increasing to \$240,000 annually on the Corporation achieving revenue of \$5,000,000 per year or achieving a market capitalization of \$50,000,000 for at least 20 consecutive business days. Mr. Stevens' salary will increase to \$300,000 annually if the Corporation reaches revenue of \$10,000,000 or a market capitalization of \$80,000,000 for at least 20 consecutive business days. Mr. Stevens' agreement also provides for employee benefits comparable to other senior employees of the Corporation and an automobile allowance of \$1,500 per month. Mr. Stevens is also entitled to an annual bonus equal to 1% of year-over-year revenue growth.

Mr. Stevens' agreement provides for severance pay ("**Termination Compensation**") of the aggregate of the following amounts: (i) annual base salary for the then current fiscal year of the Corporation and (ii) an amount equal to the greater of (a) annual base salary, and (b) an amount equal to the result obtained when the annual base salary is multiplied by a fraction, the numerator of which is the number of days between the date of termination and Mr. Stevens' retirement date and the denominator of which is 365. Upon a change in control, Mr. Stevens may elect to have the Corporation purchase all of his outstanding Common Shares of the Corporation at a price equal to the average closing trading price of the Common Shares for the previous 30 days.

There is no written compensation agreement between the Corporation and John Randolph Clifford (CFO) with respect to any termination payments or upon a change-of-control of the Corporation as at the date of this Circular.

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

### *Introduction*

The Oversight and Description of Director and Named Executive Officer Compensation section of this Circular sets out the objectives of the Corporation's executive compensation arrangements, the Corporation's executive compensation philosophy and the application of this philosophy to

the Corporation's executive compensation arrangements.

When determining the compensation arrangements for the Named Executive Officers and directors, the Board considers the objectives of: (i) retaining an executive critical to the success of the Corporation and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and shareholders of the Corporation; and (iv) rewarding performance, both on an individual basis and with respect to the business in general.

### *Benchmarking*

In determining the compensation level for each executive, the Board looks at factors such as the relative complexity of the executive's role within the organization, the executive's performance and potential for future advancement, the compensation paid by other companies in the same industry as the Corporation, and pay equity considerations.

### *Elements of Compensation*

The compensation paid to the Named Executive Officers and directors in any year consists of three (3) primary components:

1. base salary;
2. long-term incentives in the form of stock options granted under the Stock Option Plan; and
3. incentive bonuses.

The Corporation believes that making a significant portion of the Named Executive Officers' and directors' compensation based on a base salary, long-term incentives and incentive bonuses supports the Corporation's executive compensation philosophy, as these forms of compensation allow those most accountable for the Corporation's long-term success to acquire and hold the Corporation's shares. The key features of these three primary components of compensation are discussed below:

#### 1. Base Salary

Base salary recognizes the value of an individual to the Corporation based on his or her role, skill, performance, contributions, leadership and potential. It is critical in attracting and retaining executive talent in the markets in which the Corporation competes for talent. Base salaries for the Named Executive Officers and directors are reviewed annually. Any change in the base salary of a Named Executive Officer or a director is generally determined by an assessment of such executive's performance, a consideration of competitive compensation levels in companies similar to the Corporation and a review of the performance of the Corporation as a whole and the role such executive officer played in such corporate performance.

#### 2. Stock Option Awards

The Corporation provides long-term incentives to the Named Executive Officers and directors in the form of stock options as part of its overall executive compensation strategy (for a description of the material terms of the Stock Option Plan, see "Re-approval of the Stock Option Plan" below). The Board believes that stock option grants serve the Corporation's executive compensation philosophy in several ways: they help attract, retain, and motivate talent; they align the interests of the Named Executive Officers and directors with those of the shareholders by linking a specific portion of the officer's total pay opportunity to share price; and they provide long-term accountability

for Named Executive Officers and directors.

### 3. Incentive Bonuses

Any bonuses paid to the Named Executive Officers and directors are allocated on an individual basis related to the review by the Board of the work planned during the year and the work achieved during the year, including work related to mineral exploration, administration, financing, shareholder relations and overall performance. The bonuses are paid to reward work done above the base level of expectations.

The Corporation does not have any policies which permit or prohibit a Named Executive Officer or director to purchase financial instruments.

### Pension Disclosure

There are no pension plan benefits in place for the Named Executive Officers or the directors of the Corporation.

### EQUITY COMPENSATION PLAN INFORMATION

The following table sets out information concerning the number and price of securities to be issued under equity compensation plans to employees and others as at December 31, 2018.

Plan Category	Number of Securities to be Issued upon Exercise of Options, Warrants and Rights  (a)	Weighted – Average Exercise Price of Outstanding Options, Warrants and Rights  (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a))  (c)
Equity Compensation Plans Approved by Securityholders	19,446,470	0.10	720,923
Equity Compensation Plans Not Approved by Securityholders	N/A	N/A	N/A
<b>Total</b>	19,446,470	0.10	720,923

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, officers or employees of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate of any one of them, nor any former directors, officers or employees is or was indebted, directly or indirectly, to the Corporation or its subsidiaries at any time since the beginning of the financial period ended December 31, 2018.

### Directors' and Officers' Liability Insurance

The Corporation has purchased a directors' and officers' liability insurance policy, effective from June 12, 2019 to June 12, 2020. The policy provides a \$5,000,000 per claim and for aggregate liability

coverage plus \$1,000,000 in excess coverage. The aggregate premium paid for the coverage was \$17,000.

## AUDIT COMMITTEE

Under National Instrument 52-110 - *Audit Committees* (“**NI 52-110**”), the Corporation is required to include in this Circular the disclosure required under Form 52-110F2 with respect to the audit committee (the “**Audit Committee**”) of the Board, including the composition of the Audit Committee, the text of the Audit Committee charter (attached hereto as Schedule “B”), and the fees paid to the external auditor.

### Composition of the Audit Committee

The following are the current members of the Audit Committee:

Name	Independence <sup>(1)</sup>	Financial Literacy
Charles Schade	Independent	Financially Literate
Andrew Ryu <sup>(2)</sup>	Not Independent	Financially Literate
Janeen Stodulski	Independent	Financially Literate

- (1) The Corporation is a “venture issuer” for the purposes of NI 52-110. As such, the Corporation is exempt from the requirement to have the Audit Committee comprised entirely of independent members.
- (2) Andrew Ryu is not independent by virtue of him being the CEO of the Corporation

### Relevant Education and Experience

*Charles Schade* – Mr. Schade is a senior level marketing executive in the insights industry, with a proven track record for strategically identifying opportunities and successfully launching new products. Mr. Schade has led, motivated and attracted high performance teams by inspiring staff through ongoing coaching and mentoring. Mr. Schade is a founder and former President of NPD Canada with over 25 years of sales & servicing background. Mr. Schade has embraced industry leadership roles through speaking engagements at industry functions. Mr. Schade holds an undergraduate degree in business and economics from the University of London (England) and attended the Schulich School of Business at York University (Toronto) for continuing education studies in financial analysis and control and financial managerial accounting.

*Andrew Ryu* - Mr. Ryu is a seasoned and experienced entrepreneur and operator in public and private companies. Graduate of McMaster University (1999) and University of Toronto (2000). Founder and CEO of TLA Inc. (1997-2005), President of business development of Archer Education Group (2005-2008), and founder and CEO of Loyalist Group Limited (TSXV: LOY) (2009-2014), which was nominated as the top TSXV company in 2013, ranked fourth in 2014, and was the top pick of the street in 2014. He served as CEO of Cozumo Inc. (2015-2016). He is currently serving as CEO and Chairman of Datametrex AI Limited (TSXV: DM. He was nominee of EY entrepreneur of the year in 2014.

*Janeen Stodulski* - Ms. Stodulski brings more than 29 years in diverse tax, financial, and business consulting experience to the table. She has gained extensive accounting experience through her senior roles in public practice as well as several C-suite roles in a variety of companies. Janeen extensive expertise allows her to provide outside the box strategies and solutions in addition to

comprehensive accounting services. She is currently working as the Client Accounting/Advisory Service Partner for MNP Canada.

### **Audit Committee Oversight**

At no time since the commencement of the Corporation’s most recently completed financial period was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

### **Reliance on Certain Exemptions**

At no time since the commencement of the Corporation’s most recently completed financial period has the Corporation relied on the exemption in:

- (a) Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*);
- (b) Subsection 6.1.1(4) of NI 52-110 (*Circumstances Affecting the Business or Operations of the Venture Issuer*);
- (c) Subsection 6.1.1(5) of NI 52-110 (*Events Outside Control of Member*);
- (d) Subsection 6.1.1(6) of NI 52-110 (*Death, Incapacity or Resignation*),

or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

The Corporation is relying on the exemption provided in Section 6.1 of NI 52-110 as the Corporation is a “venture issuer”. As a result, the Corporation is exempt from the requirements of Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

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

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in Schedule “A” attached hereto.

### **External Auditor Service Fees (By Category)**

The following table discloses the fees billed to the Corporation by its external auditor for the financial year ended December 31, 2018:

<b>Financial Period Ended</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit-Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees</b>
December 31, 2017	\$188,425	\$26,145	\$3,180	\$1,696
December 31, 2018	\$137,539	\$0	\$48,388	\$0

- (1) “Audit Fees” includes fees for the performance of the annual audit and for accounting consultations on matters reflected in the financial statements.
- (2) “Audit-Related Fees” includes fees for assurance and related services, related to the performance of the review of the financial statements including fees for AIF and “earn-in” audit work that are not reported under Audit Fees.
- (3) “Tax Fees” includes the fees paid for tax compliance, tax planning and tax advice.

## INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No director or officer of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any other insider of the Corporation, nor any associate or affiliate of any one of them, has or has had, at any time since the beginning of the financial period ended December 31, 2018, any material interest, direct or indirect, in any transaction or proposed transaction that has materially affected or would materially affect the Corporation.

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

Other than as disclosed in this Circular, no person who has been a director or officer of the Corporation at any time since the beginning of the Corporation's most recently completed financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

## CORPORATE GOVERNANCE

The Board views effective corporate governance as an essential element for the effective and efficient operation of the Corporation. The Corporation believes that effective corporate governance improves corporate performance and benefits all of its Shareholders. The following statement of corporate governance practices sets out the Board's review of the Corporation's governance practices relative to Form 58-101F2 under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 – *Corporate Governance Guidelines*.

### Board of Directors

The Board, which is responsible for supervising the management of the business and affairs of the Corporation, which is currently comprised of a majority of independent directors, as such term is defined in NI 58-101 and NI 52-110. The independent directors are Charles Schade and Janeen Stodulski. Andrew Ryu is not independent by virtue of being the current chief executive officer of the Corporation.

The Board has plenary power to manage and supervise the management of the business and affairs of the Corporation and to act in the best interest of the Corporation. The Board is responsible for the overall stewardship of the Corporation and approves all significant decisions that affect the Corporation before they are implemented. The Board also considers their implementation and reviews the results. Any related party transaction as such term is defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”), is subject to review by the independent directors in accordance with the Board's related party transaction policy (the “**Related Party Transaction Policy**”), which was adopted by the Board as a condition to the acceptance of the Corporation's Qualifying Transaction by the TSXV.

### Other Reporting Issuer Experience

One of the Corporation's nominee directors is currently a director of another reporting issuer (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name	Name of Reporting Issuer	Exchange or Market
David N. Ellison	The Tinley Beverage Company Inc.	CSE

### **Orientation and Continuing Education of Board Members**

The Corporation currently does not have any formal orientation or continuing education programs in place for new directors.

### **Ethical Business Conduct**

The Board is of the view that the Board's Related Party Transaction Policy and the fiduciary duties placed on individual directors pursuant to corporate legislation and the common law, and the conflict of interest provisions under corporate legislation which restricts an individual director's participation in decisions of the Board in which the director has an interest, are sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

### **Nomination of Directors**

The size of the Board is reviewed annually when the Board considers the number of directors to recommend for election at the annual meeting of Shareholders. The Board takes into account the number of directors required to carry out the Board duties effectively, and to maintain a diversity of view and experience.

### **Compensation of Directors and Officers**

The independent members of the Board review and determine the compensation of directors and officers. The Board meets at least annually to establish, administer and evaluate the compensation philosophy, policies and plans for directors and officers regarding director and executive compensation and to review the performance and determine the compensation of the CEO, based on criteria including the Corporation's performance and accomplishment of long-term strategic objectives, each individual officer's performance and comparable compensation paid to similarly-situated officers in comparable companies.

### **Other Board Committees**

As of the date of this Circular, the Board has no standing committees other than the Audit Committee.

### **Assessment of Directors, the Board and Board Committees**

The Board monitors the adequacy of information given to directors, the communications between the Board and management and the strategic direction and processes of the Board and its Audit Committee, to satisfy itself that the Board, its Audit Committee and its individual directors are performing effectively.

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Financial information about the Corporation is provided in the Corporation's comparative annual financial statements and MD&A for its most recently completed financial year.

Shareholders of the Corporation may request copies of the Corporation's financial statements and MD&A by contacting the President and Chief Operating Officer of the Corporation at (647) 400-8494.

\* \* \* \* \*

#### **DIRECTORS' APPROVAL**

The contents and the sending of this Circular have been approved by the Board of Directors of the Corporation.

Dated as of September 27, 2019.

*“Andrew Ryu”*

**Andrew Ryu**  
**Chief Executive Officer and Chairman**

**SCHEDULE "A"**  
**Change of Auditor Reporting Package**

**DATAMETREX AI LIMITED**  
**NOTICE OF CHANGE OF AUDITOR**

**TO:** MNP LLP

**AND TO:** KPMG LLP

**AND TO:** Ontario Securities Commission  
British Columbia Securities Commission  
Alberta Securities Commission  
TSX Venture Exchange

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Pursuant to Section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* (**NI 51-102**), Datametrex AI Limited (the “**Corporation**”) hereby gives notice of the following:

1. On February 7, 2019, MNP LLP (“**MNP**”) notified the Corporation that it resigned from its appointment as auditors of the Corporation;
2. MNP has not been proposed for reappointment as auditors of the Corporation;
3. The Board of Directors of the Corporation has considered and approved the resignation of MNP, and the appointment of KPMG LLP (“**KPMG**”), as the successor auditors of the Corporation, subject to shareholder approval and the formal engagement of KPMG;
4. MNP resigned as auditors of the Corporation prior to providing any report on the consolidation financial statements of the Corporation and therefore did not express a modified opinion;
5. There are no “reportable events”, as defined in NI 51-102, in association with this change of auditor.

DATED this 8<sup>th</sup> day of February, 2019.

DATAMETRIX AI LIMITED

*Signed “Andrew Ryu”*

Andrew Ryu  
Chief Executive Officer



KPMG LLP  
100 New Park Place, Suite 1400  
Vaughan, Ontario, L4K 0J3  
Telephone (905) 265-5900  
Fax (905) 265-6390  
[www.kpmg.ca](http://www.kpmg.ca)

To Ontario Securities Commissions  
British Columbia Securities Commissions  
Alberta Securities Commission

March 8, 2018

Dear Sirs/Mesdames:

**Re: Notice of Change of Auditors of Datametrex AI Limited**

We have read the Notice of Datametrex AI Limited dated February 8, 2018 and are in agreement with the statements contained in such Notice.

Yours very truly,

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants, Licensed Public Accountants  
Vaughan, Canada

February 11, 2019

Ontario Securities Commission  
Alberta Securities Commission  
British Columbia Securities Commission  
TSX Venture Exchange

Dear Sirs/Mesdames:

**Re: Datametrex AI Limited (the, “Company”)  
Notice of Change of Auditor Pursuant to NI 51-102 (Part 4.11)**

In accordance with Part 4.11 of National Instrument 51-102, we have reviewed the Company’s Notice of Change of Auditor (the, “Notice”) dated February 8, 2019. Based on our information to of this date, we agree with the Statement #(1) through #(4) contained in the Notice. We have no basis to agree or disagree with Statement #(5) contained in the Notice.

Yours truly,



**Chartered Professional Accountants  
Licensed Public Accountants**

## SCHEDULE "B"

### **DATAMETREX AI LIMITED AUDIT COMMITTEE MANDATE**

#### **1. Introduction**

The Audit Committee (the "**Committee**" or the "**Audit Committee**") of Datametrex AI Limited ("**Datametrex**" or the "**Corporation**") is a committee of the Board of Directors (the "**Board**"). The Committee shall oversee the accounting and financial reporting practices of the Corporation and the audits of the Corporation's financial statements and exercise the responsibilities and duties set out in this mandate.

#### **2. Membership**

##### ***Number of Members***

The Committee shall be composed of three or more members of the Board.

##### ***Chair***

At the time of the annual appointment of the members of the Audit Committee, the Board shall appoint a chair of the Audit Committee (the "**Chair**"). The Chair shall be a member of the Audit Committee, preside over all Audit Committee meetings, coordinate the Audit Committee's compliance with this Mandate, work with management to develop the Audit Committee's annual work-plan and provide reports of the Audit Committee to the Board.

##### ***Financial Literacy of Members***

At the time of his or her appointment to the Committee, each member of the Committee shall have, or shall acquire within a reasonable time following appointment to the Committee, the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

##### ***Term of Members***

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

#### **3. Meetings**

##### ***Number of Meetings***

The Committee may meet as many times per year as necessary to carry out its responsibilities.

### ***Quorum***

No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. A majority of members of the Committee shall constitute a quorum.

### ***Calling of Meetings***

The Chair, any member of the Audit Committee, the external auditors, the Chairman of the Board, or the Chief Executive Officer or the Chief Financial Officer may call a meeting of the Audit Committee by notifying the Corporation's Corporate Secretary who will notify the members of the Audit Committee. The Chair shall chair all Audit Committee meetings that he or she attends, and in the absence of the Chair, the members of the Audit Committee present may appoint a chair from their number for a meeting.

### ***Minutes; Reporting to the Board***

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be circulated to the members of the Board. However, the Chair may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board.

### ***Attendance of Non-Members***

The external auditors are entitled to attend and be heard at each Audit Committee meeting. In addition, the Committee may invite to a meeting any officers or employees of the Corporation, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities. At least once per year, the Committee shall meet with the internal auditor and management in separate sessions to discuss any matters that the Committee or such individuals consider appropriate.

### ***Meetings without Management***

The Committee shall hold unscheduled or regularly scheduled meetings, or portions of meetings, at which management is not present.

### ***Procedure***

The procedures for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those applicable to meetings of the Board.

### ***Access to Management***

The Committee shall have unrestricted access to the Corporation's management and employees and the books and records of the Corporation.

#### **4. Duties and Responsibilities**

The Committee shall have the functions and responsibilities set out below as well as any other functions that are specifically delegated to the Committee by the Board and that the Board is authorized to delegate by applicable laws and regulations. In addition to these functions and responsibilities, the Committee shall perform the duties required of an audit committee by any exchange upon which securities of the Corporation are traded, or any governmental or regulatory body exercising authority over the Corporation, as are in effect from time to time (collectively, the “Applicable Requirements”).

##### ***Financial Reports***

###### **(a) General**

The Audit Committee is responsible for overseeing the Corporation’s financial statements and financial disclosures. Management is responsible for the preparation, presentation and integrity of the Corporation’s financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by the Corporation. The auditors are responsible for auditing the Corporation’s annual consolidated financial statements and for reviewing the Corporation’s unaudited interim financial statements.

###### **(b) Review of Annual Financial Reports**

The Audit Committee shall review the annual consolidated audited financial statements of the Corporation, the auditors’ report thereon and the related management’s discussion and analysis of the Corporation’s financial condition and results of operation (“**MD&A**”). After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the annual financial statements and the related MD&A.

###### **(c) Review of Interim Financial Reports**

The Audit Committee shall review the interim consolidated financial statements of the Corporation, the auditors’ review report thereon and the related MD&A. After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the interim financial statements and the related MD&A.

###### **(d) Review Considerations**

In conducting its review of the annual financial statements or the interim financial statements, the Audit Committee shall:

- (i) meet with management and the auditors to discuss the financial statements and MD&A;
- (ii) review the disclosures in the financial statements;
- (iii) review the audit report or review report prepared by the auditors;
- (iv) discuss with management, the auditors and internal legal counsel, as requested, any litigation claim or other contingency that could have a material effect on the financial statements;

- (v) review the accounting policies followed and critical accounting and other significant estimates and judgements underlying the financial statements as presented by management;
- (vi) review any material effects of regulatory accounting initiatives or off-balance sheet structures on the financial statements as presented by management, including requirements relating to complex or unusual transactions, significant changes to accounting principles and alternative treatments under Canadian accounting rules;
- (vii) review any material changes in accounting policies and any significant changes in accounting practices and their impact on the financial statements as presented by management;
- (viii) review management's report on the effectiveness of internal controls over financial reporting;
- (ix) review the factors identified by management as factors that may affect future financial results;
- (x) review results of the Corporation's audit committee whistleblower hotline program; and
- (xi) review any other matters, related to the financial statements, that are brought forward by the auditors, management or which are required to be communicated to the Audit Committee under accounting policies, auditing standards or Applicable Requirements.

(e) **Approval of Other Financial Disclosures**

The Audit Committee shall review and, if advisable, approve and recommend for Board approval financial disclosure in a prospectus or other securities offering document of the Corporation, press releases disclosing, or based upon, financial results of the Corporation and any other material financial disclosure, including financial guidance provided to analysts, rating agencies or otherwise publicly disseminated.

**Auditors**

(a) **General**

The Audit Committee shall be responsible for oversight of the work of the auditors, including the auditors' work in preparing or issuing an audit report, performing other audit, review or attest services or any other related work.

(b) **Nomination and Compensation**

The Audit Committee shall review and, if advisable, select and recommend for Board approval the external auditors to be nominated and the compensation of such external auditor. The Audit Committee shall have ultimate authority to approve all audit engagement terms and fees, including the auditors' audit plan.

(c) **Resolution of Disagreements**

The Audit Committee shall resolve any disagreements between management and the auditors as to financial reporting matters brought to its attention.

(d) **Discussions with Auditors**

At least annually, the Audit Committee shall discuss with the auditors such matters as are required by applicable auditing standards to be discussed by the auditors with the Audit Committee.

(e) **Audit Plan**

At least annually, the Audit Committee shall review a summary of the auditors' annual audit plan. The Audit Committee shall consider and review with the auditors any material changes to the scope of the plan.

(f) **Independence of Auditors**

At least annually, and before the auditors issue their report on the annual financial statements, the Audit Committee shall obtain from the auditors a description of all relationships between the auditors and the Corporation; discuss with the auditors any disclosed relationships or services that may affect the objectivity and independence of the auditors; and obtain confirmation from the auditors that they are objective and independent within the meaning of the applicable Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered accountants to which the auditors belong and other Applicable Requirements. The Audit Committee shall take appropriate action to oversee the independence of the auditors.

(g) **Requirement for Pre-Approval of Non-Audit Services**

The Audit Committee shall approve in advance any retainer of the auditors to perform any non-audit service to the Corporation that it deems advisable in accordance with Applicable Requirements and Board approved policies and procedures. The Audit Committee may delegate pre-approval authority to a member of the Audit Committee. The decisions of any member of the Audit Committee to whom this authority has been delegated must be presented to the full Audit Committee at its next scheduled Audit Committee meeting.

(h) **Approval of Hiring Policies**

The Audit Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.

***Compliance with Legal and Regulatory Requirements***

The Audit Committee shall review reports from the Corporation's Corporate Secretary and other management members on legal or compliance matters that may have a material impact on the Corporation; the effectiveness of the Corporation's compliance policies; and any material communications received from regulators. The Audit Committee shall review management's evaluation of and representations relating to compliance with specific applicable law and guidance, and management's plans to remediate any deficiencies identified.

### ***Audit Committee Hotline Whistleblower Procedures***

The Audit Committee shall establish for (a) the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters. Any such complaints or concerns that are received shall be reviewed by the Audit Committee and, if the Audit Committee determines that the matter requires further investigation, it will direct the Chair of the Audit Committee to engage outside advisors, as necessary or appropriate, to investigate the matter and will work with management and the general counsel to reach a satisfactory conclusion.

### ***Audit Committee Disclosure***

The Audit Committee shall prepare, review and approve any audit committee disclosures required by Applicable Requirements in the Corporation's disclosure documents.

### ***Delegation***

The Audit Committee may, to the extent permissible by Applicable Requirements, designate a sub-committee to review any matter within this mandate as the Audit Committee deems appropriate.

## **5. No Rights Created**

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Audit Committee, functions. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation's Articles and By-laws, it is not intended to establish any legally binding obligations.

## **6. Mandate Review**

The Committee shall review and update this Mandate annually and present it to the Board for approval.