

FORWARD WATER TECHNOLOGIES CORP.

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR

THE ANNUAL AND SPECIAL MEETING

OF SHAREHOLDERS OF

FORWARD WATER TECHNOLOGIES CORP.

TO BE HELD ON SEPTEMBER 29, 2022

IN LIGHT OF THE RAPIDLY EVOLVING NEWS, GUIDELINES AND REQUIREMENTS RELATED TO COVID-19, THE COMPANY WILL BE STRICTLY RESTRICTING PHYSICAL ACCESS TO THE MEETING TO REGISTERED SHAREHOLDERS AND FORMALLY APPOINTED PROXYHOLDERS, AND WILL NOT BE PERMITTING ANY OTHERS (INCLUDING BENEFICIAL SHAREHOLDERS THAT HOLD THEIR SHARES THROUGH A BROKER OR OTHER INTERMEDIARY) TO ATTEND.

AUGUST 23, 2022

FORWARD WATER TECHNOLOGIES CORP.

NOTICE OF ANNUAL AND SPECIAL GENERAL MEETING

NOTICE is hereby given that the annual and special meeting (the "**Meeting**") of **FORWARD WATER TECHNOLOGIES CORP.** (the "**Company**"), will be held at the offices of Fogler, Rubinoff LLP at Suite 3000, 77 King Street West, Toronto, Ontario M5K 1G8 on Thursday, September 29, 2022 at 10:30 a.m. (Toronto time), for the following purposes:

1. To receive and consider the audited financial statements for the financial years ending March 31, 2022 and March 31, 2021, together with the auditor's reports thereon;
2. To fix the number of directors for the ensuing year at six (6);
3. To elect directors to hold office until the next annual general meeting of the Company;
4. To re-appoint KPMG LLP as auditor of the Company, to hold office until the next annual general meeting at a remuneration to be fixed by the directors;
5. To re-approve the Company's rolling stock option plan as described in the Company's accompanying management information circular (the "**Circular**"); and
6. To transact such other business as may properly be transacted at such meeting or at any adjournment thereof.

If you are unable to attend the Meeting in person, you may still vote on the above items by submitting a Proxy. A form of Proxy has been provided in this package, together with the Circular which forms part of this Notice. Please refer to the notes to the Proxy for instructions on completing the Proxy. To be effective, the Proxy must be completed, dated, signed and returned within the time limits and in accordance with the instructions set out in the notes.

The enclosed Proxy is solicited by or on behalf of management of the Company, and the persons named as proxyholders are directors and/or officers of the Company, or nominees selected by management. You may appoint another person to represent you at the Meeting by striking out the names of the persons therein and inserting, in the space provided, the name of the person you wish to represent you at the Meeting.

DATED at Toronto, Ontario, as at 23rd day of August, 2022.

"Howie Honeyman"

Howie Honeyman
President, Chief Executive Officer and Director

FORWARD WATER TECHNOLOGIES CORP.

1086 Modeland Road
Sarnia, Ontario N7S 6L3
Tel: (519) 333-5888

INFORMATION CIRCULAR

(containing information as at August 23, 2022, unless otherwise stated)

SOLICITATION OF PROXIES

This Information Circular (this "Circular") is furnished in connection with the solicitation of proxies by the management (the "Management") of FORWARD WATER TECHNOLOGIES CORP. (the "Company"), for use at the annual and special general meeting (the "Meeting") of the shareholders (the "Shareholders") of the Company to be held on September 29, 2022, at the time and place and for the purposes set forth in the accompanying Notice of Meeting, and at any adjournment thereof. The solicitation will be primarily by mail; however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

MEETING ATTENDANCE

Given the current circumstances, the location of the Meeting will be the offices of the Company's counsel, Fogler, Rubinoff LLP, located at Suite 3000, 77 King Street West, Toronto, Ontario M5K 1G8. The Company will be strictly restricting physical access to the Meeting to registered Shareholders and formally appointed proxyholders and will not be permitting any others (including beneficial Shareholders that hold their shares through a broker or other intermediary) to attend.

The Company strongly encourages registered shareholders and proxyholders not to attend the Meeting in-person, and Shareholders are encouraged to vote using one of the methods described in this management information circular. The deadline for Shareholders to vote by proxy in advance of the Meeting is September 27, 2022 at 10:30 a.m. (Toronto time). Registered Shareholders and proxyholders who nonetheless wish to attend in person may be subject to health screening procedures at the entrance and will be asked to socially distance themselves from others at the Meeting.

Shareholders who are unable or not permitted to attend the Meeting in person have the opportunity to listen to the Meeting live through an audio conference call. Shareholders who dial in to the call will be able to listen to the call but will not be able to vote. To listen to the Meeting in this manner you may dial the following toll-free or international toll number approximately five minutes prior to the start of the Meeting and ask the operator to join the Meeting:

Canada/USA Toll Free: 1-888-466-7661

International: +1-647-725-4062

Access code: 1073579

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed proxy (the "Proxy") are directors and/or officers of the Company. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act for and on behalf of the Shareholder at the Meeting other than the persons named in the enclosed Proxy. To exercise this right, a Shareholder shall strike out the names of the persons named in the enclosed Proxy and insert the name of the Shareholder's nominee in the blank space provided, or complete another instrument of proxy.**

A proxy must be signed by the Shareholder or by his attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer. A proxy will not be valid unless it is deposited with the Company's registrar and transfer agent, TSX Trust Company ("TSX Trust"), at 301-100 Adelaide St W, Toronto, Ontario, M5H 4H1, or by fax at (416) 595-9593, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or adjournment thereof.

A Shareholder who has given a proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer, and deposited with TSX Trust at the address or fax numbers indicated in the preceding paragraph, at any time up to and including the

last business day preceding the day of the Meeting, or any adjournment of it, at which the proxy is to be used, or to the Chairperson of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named in the enclosed Proxy will vote the shares in respect of which they are appointed. Where directions are given by the Shareholder in respect of voting for or against any resolution, the persons named in the enclosed Proxy will do so in accordance with such direction. **In the absence of any instruction in a proxy, it is intended that such shares will be voted in favour of the motions proposed to be made at the Meeting as stated under the headings in this Circular.**

The enclosed Proxy, when properly signed, confers discretionary authority with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing this Circular, Management is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to the Management should properly come before the Meeting, the enclosed Proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the nominee.

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an "**Ordinary Resolution**") unless the motion requires a "**Special Resolution**", in which case a majority of not less than two thirds of the votes cast will be required.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of shares can be recognized and acted upon at the Meeting.

If shares are listed in an account statement provided to a Shareholder by a broker, then, in almost all cases, those shares will not be registered in the Shareholder's name on the records of the Company. Such 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 CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). The shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their shares are communicated to the appropriate person.**

There are two kinds of Beneficial Shareholders, those who object to their name being made known to the issuers of securities which they own ("**OBOs**" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are ("**NOBOs**" for Non-Objecting Beneficial Owners). Pursuant to National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer ("**NI 54-101**") issuers can obtain a list of their NOBOs from intermediaries for distribution of proxy related materials directly to NOBOs. The Company has decided to take advantage of those provisions of NI 54-101 that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a Voting Instruction Form ("**VIF**") from our transfer agent, TSX Trust. These VIFs are to be completed and returned to TSX Trust in the envelope provided or by facsimile. In addition, TSX Trust provides internet voting as described on the VIF itself which contains complete instructions. TSX Trust will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

With respect to Beneficial Shareholders who are OBOs, regulatory rules require intermediaries/brokers to seek voting instructions in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders who are OBOs in order to ensure that their shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form provided to a Beneficial Shareholder who is an OBO by its broker, agent or nominee is limited to instructing the registered holder of the common shares on how to vote such shares on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications ("**Broadridge**"). Broadridge typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides

appropriate instructions respecting the voting of the shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure such shares are voted.**

These security holder materials are being sent to both registered and non-registered owners of the shares of the Company. If you are a non-registered owner and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. In this event, by choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions. In accordance with the provisions of NI 54-101, the Company has elected not to pay for mailing to OBO's. As a result, OBO's will only receive paper copies of proxy-related materials if the OBO's intermediary assumes the costs of delivery.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed herein, none of:

- (a) the directors or executive officers of the Company at any time since the beginning of the last financial year of the Company;
- (b) the proposed nominees for election as a director of the Company; or
- (c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting exclusive of the election of directors and the confirmation of the existing stock option plan for the Company in connection with which the directors and executive officers of the Company may continue to hold stock options and/or may be entitled to receive stock option grants in the future, all in accordance with the terms thereof. See "*Particulars of Matters to be Acted Upon – Re-Approval of Stock Option Plan*".

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Circular, and the documents incorporated by reference herein, may contain "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities legislation. All information contained herein that is not historical in nature may constitute forward-looking information. Often, but not always, forward-looking statements can be identified by the use of words such as "expects", "anticipates", "could", "will", or variations of such words and phrases.

Forward-looking statements are based on management's current expectations and assumptions that, while considered reasonable by management, are inherently subject to business, market and economic risks, uncertainties, and contingencies which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements.

Various assumptions or factors are typically applied in drawing conclusions or making the projections set out in the forward-looking statements. Those assumptions and factors are based on information currently available to the Company. These forward-looking statements are based on management's current expectations and beliefs, but given the uncertainties, assumptions and risks, readers are cautioned not to place undue reliance on such forward-looking statements or information. The Company disclaims any obligation to update, or to publicly announce, any such statements, events or developments except as required by law.

Except as otherwise indicated, forward-looking statements do not reflect the potential impact of any non-recurring or other unusual items or of any dispositions, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after the date hereof. The financial impact of these transactions and non-recurring and other unusual items can be complex and depends on the facts particular to each of them. We therefore, cannot describe the expected impact in a meaningful way or in the same way the Company presents known risks affecting its business.

For additional information on these risks and uncertainties, see the Company's management's discussion and analysis ("**MD&A**") for the year ended March 31, 2022, which is available on the Company's profile on SEDAR at www.sedar.com. The risk factors

identified in the MD&A are not intended to represent a complete list of factors that could affect the Company. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not assume any obligation to update the forward-looking information contained in this Circular, unless required by law.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company's authorized capital consists of an unlimited number of common shares ("**Common Shares**") without par value, each share carrying the right to one vote, of which 106,103,098 Common Shares are issued and outstanding as at August 23, 2022 (the "**Record Date**"). The Company has no other classes of shares.

Any Shareholder of record at the close of business on the Record Date who either personally attends the Meeting or who has completed and delivered a proxy in the manner and subject to the provisions described above, shall be entitled to vote or to have such Shareholder's shares voted at the Meeting.

To the best of the knowledge of the directors and senior officers of the Company, no person holds, directly or indirectly, or exercises control or direction, over more than 10% of the issued and outstanding Common Shares of the Company other than: (i) GreenCentre Canada which has ownership and control of 14,668,560 Common Shares that represent approximately 13.8% of the issued and outstanding Common Shares (calculated on a non-diluted basis), (ii) Sustainable Chemistry Alliance which has ownership and control of 26,644,295 Common Shares that represent approximately 25.1% of the issued and outstanding Common Shares (calculated on a non-diluted basis) and (iii) FirstLine Venture Partners Corporation which has ownership and control of 26,644,295 Common Shares that represent approximately 25.1% of the issued and outstanding Common Shares (calculated on a non-diluted basis).

STATEMENT OF EXECUTIVE COMPENSATION

Securities laws require that a "Statement of Executive Compensation" in accordance with Form 51-102F6 be included in this Information Circular. Form 51-102F6 prescribes the disclosure requirements in respect of the compensation of executive officers and directors of reporting issuers. Form 51-102F6 provides that compensation disclosure must be provided for the Chief Executive Officer and the Chief Financial Officer of an issuer and each of the three most highly compensated executive officers whose total compensation exceeds \$150,000. Based on those requirements, the executive officers of the Company for whom disclosure is required under Form 51-102F6 are Mr. C. Howie Honeyman, its President and CEO, Mr. Michael Willetts, its CFO and Sheldon Kales, the previous Chief Executive Officer and Chief Financial Officer and such individuals are collectively referred to as the "Named Executive Officers".

On October 20, 2021, the Company completed a transaction (the "**Qualifying Transaction**") with Forward Water Technologies Inc. whereby (i) the Company acquired all of the issued shares of Forward Water Technologies Inc. ("**FWT Shares**") in exchange for shares of the Company pursuant to a three-cornered amalgamation; (ii) the directors and officers of the Company resigned and were replaced by the directors and officers of Forward Water Technologies Inc.; (iii) the name of the Company changed from Hopewell Capital Corp. to Forward Water Technologies Corp.; and (iv) the financial year of the Company changed to March 31 from January 31. The transaction is considered a reverse takeover under the policies of the TSX Venture Exchange

Definitions

For the purpose of this Information Circular:

- (i) "**CEO**" means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (ii) "**CFO**" means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (iii) "**closing market price**" means the price at which the Company's security was last sold, on the applicable date,
 - (i) in the security's principal marketplace in Canada, or
 - (ii) if the security is not listed or quoted on a marketplace in Canada, in the security's principal marketplace;
- (iv) "**company**" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

- (v) "**equity incentive plan**" means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of Section 3870 of the Handbook;
- (vi) "**external management company**" includes a subsidiary, affiliate or associate of the external management company;
- (vii) "**grant date**" means a date determined for financial statement reporting purposes under Section 3870 of the Handbook;
- (viii) "**incentive plan**" means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;
- (ix) "**incentive plan award**" means compensation awarded, earned, paid or payable under an incentive plan;
- (x) "**NEO**" or "**named executive officer**" means each of the following individuals:
 - (i) a CEO;
 - (ii) a CFO;
 - (iii) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6, for that financial year; and
 - (iv) each individual who would be a NEO under paragraph (iii) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year;
- (xi) "**non-equity incentive plan**" means an incentive plan or portion of an incentive plan that is not an equity incentive plan;
- (xii) "**option-based award**" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features;
- (xiii) "**plan**" includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;
- (xiv) "**replacement grant**" means an option that a reasonable person would consider to be granted in relation to a prior or potential cancellation of an option;
- (xv) "**share-based award**" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, Common Shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

Compensation Discussion and Analysis

NEO Compensation Discussion and Analysis

The Company's Governance, Nomination and Compensation Committee is comprised of Andrew Pasternak (Chair), Gerald Goldberg, Lea Ray and Wayne Maddever. All members other than Mr. Maddever are independent directors. Each of the members of the committee have had experience in setting compensation policies at other companies both at the board and management levels. This experience has provided each of them with an understanding of appropriate compensation practices.

The Company's executive compensation policies are designed to support an appropriate relationship between the executive pay and the creation of shareholder value. The Governance, Nomination and Compensation Committee reviews the design and components of the Company's compensation for the Named Executive Officers. During 2021, Mr. Honeyman, as Chief Executive Officer,

provided information where requested by the members of the Governance, Nomination and Compensation Committee but recused himself from discussions regarding his own compensation.

The Governance, Nomination and Compensation Committee develops an executive compensation plan for the Named Executive Officers that is designed to link corporate performance to the creation of shareholder value for shareholders.

The objective of the Company's executive compensation program and strategy is to attract, retain, and motivate talented executives and provide incentives for executives to create sustainable shareholder value over the long term. To achieve this objective, executive compensation is designed based on the following principles:

- ***To align with the Company's business*** - reflect the Company's past performance and current state of development; to be commensurate with the Company's financial ability to remunerate Named Executive Officers;
- ***To align to shareholder interests*** - align the interests of executives with those of shareholders through the use of awards which increase in value when shareholder value increases, and decline in value when the share price falls;
- ***Corporate governance*** - continually review and, as appropriate for the Company, adopt executive compensation practices that align to current market practices;
- ***Pay for performance*** - align with the Company's desire to create a performance culture and create tangible relationships between pay and performance; and
- ***Pay competitively*** - reflect each Named Executive Officer's performance, expertise, responsibilities and length of service to the Company in their compensation; set overall target compensation to ensure it remains competitive.

The Governance, Nomination and Compensation Committee has implemented a compensation regime that is designed to reflect the above objectives. Executive compensation consists of a combination of salary, annual performance bonus awards and longer-term equity-based incentives.

Compensation for the Named Executive Officers consists of three components: a base salary or fee, cash-based incentive compensation and long-term incentive plans including the Company's stock option plan (the "**Option Plan**"). Their compensation is designed to take into consideration the experience, responsibility and expected performance of each individual and the size of the Company's asset base. Option awards and the terms thereof for the Chief Executive Officer are determined by the Governance, Nomination and Compensation Committee and option awards for all other employees, and the terms thereof, are based on recommendations made by the Chief Executive Officer and approved by the Governance, Nomination and Compensation Committee.

Option-Based Awards

The Option Plan is used to attract, retain and incentivize qualified and experienced personnel. The Option Plan is an important part of the Company's long-term incentive strategy for its NEOs, as well as for its other directors, officers, other management, employees and consultants (collectively, "**eligible persons**"), permitting them to participate in any appreciation of the market value of the Company's Common Shares over a stated period of time. The Option Plan is designed to foster a proprietary interest in stock ownership, and to reinforce a commitment to the Company's long-term growth, performance and success as well as increasing shareholder value. The Board reviews the grant of stock options to NEOs from time to time, based on various factors such as the NEO's level of responsibility and role and importance in the Company achieving its corporate goals, objectives and prospects. Previous grants of options are taken into account when considering new grants of stock options to NEOs.

The Company has no equity compensation plans other than the Option Plan.

Base Salary or Consulting Fee

Executive base salaries or consulting fees are intended to adequately remunerate executives for properly fulfilling the requirements of their positions. Criteria used in the determination of base salaries include performance, the individual's experience level, specific

competencies and the scope and complexity of the position held. The total base salaries and fees paid or payable to the Named Executive Officers in the year ended March 31, 2022 were \$223,395.

Annual Incentive Compensation

To motivate senior management to achieve short-term corporate goals, the Company may provide incentive compensation to the Named Executive Officers based on performance. The success of executive team members in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in determination of their annual incentive compensation. The Governance, Nomination and Compensation Committee has delegated the determination of bonuses for the executive officers other than the Chief Executive Officer. These bonuses are based on their performance together with the overall performance of the Company.

The Governance, Nomination and Compensation Committee's goal is to tie executive compensation to both individual performance and corporate results. The Governance, Nomination and Compensation Committee assesses the Chief Executive Officer's performance based on operational goals and corporate performance, as well as to the needs of the Company that arise on a day-to-day basis.

Use of Financial Instruments

The Company does not have a policy that would prohibit a Named Executive Officer or director from purchasing financial instruments, including 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 equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director. However, management is not aware of any Named Executive or director purchasing such an instrument.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets out certain information respecting the compensation paid to the NEOs during the three most recently completed financial year(s) in which they were acting in the capacity of an NEO.

Name and principal position (a)	Year ⁽¹⁾ (b)	Salary ⁽²⁾ (\$) (c)	Share based awards (\$) (d)	Option based awards (\$) ⁽³⁾ (e)	Non-equity incentive plan compensation (f)		Pension value (g)	All other compensation (h)	Total compensation (i)
					Annual incentive plans (f1)	Long-term incentive plans (f2)			
C. Howie Honeyman President, CEO and Director	2022	180,000	Nil	Nil	Nil	Nil	\$9,000	\$5,000	194,000
	2021	180,000	n/a	n/a	n/a	n/a	\$9,000	\$5,000	194,000
	2020	180,000	500,000 ⁽²⁾	2,874	n/a	n/a	n/a	\$5,000	122,874
Michael Willetts ⁽⁴⁾ CFO	2022	Nil	Nil	Nil	Nil	Nil	Nil	\$29,395 ⁽⁵⁾	29,395
Sheldon Kales Chief Executive Officer, Chief Financial Officer and Director	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Fiscal year ended March 31.
- (2) On February 12, 2020, Mr. Honeyman was issued 500 FWT Shares, which on February 1, 2021 were split on a 1:1,000 basis pursuant to articles of amendment. On April 26, 2021, Mr. Honeyman transferred 10,318 FWT Shares to FirstLine Venture Partners Corporation and 10,318 FWT Shares to Sustainable Chemistry Alliance.
- (3) Deemed fair value of options granted and vested during the fiscal year, based on the Black-Scholes-Merton model. See audited annual financial statements for the respective fiscal year for the underlying assumptions with respect to options granted in that year.

- (4) Mr. Willetts is a fractional CFO at WD Numeric Corporate Services Inc. ("WD Numeric") and was appointed as Chief Financial Officer of the Company on October 20, 2021 in connection with the closing of the Qualifying Transaction..
- (5) Represents the amount that WD Numeric paid Mr. Willetts that was attributable to the services that he provided to the Company. Mr. Willetts received 53% of the amount that WD Numeric invoiced the Company.
- (6) Mr. Kales was appointed as Chief Executive Officer, Chief Financial Officer and Secretary of the Company on January 7, 2021 and resigned on October 20, 2021 in connection with the closing of the Qualifying Transaction..

NEO Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets out certain information respecting each NEO's share-based and option-based awards outstanding at the end of the most recently completed financial year, including awards granted before the most recently completed financial year.

Name (a)	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date dd/mm/yy (d)	Value of unexercised in-the-money-options ⁽³⁾ (\$) (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested (\$) (g)	Market or payout value of vested share-based awards not paid out or distributed (\$) (h)
C. Howie Honeyman	Nil	Nil	Nil	Nil	n/a	n/a	n/a
Michael Willetts	Nil	Nil	Nil	Nil	n/a	n/a	n/a
Sheldon Kales	135,187	\$0.21	06/11/22	Nil	n/a	n/a	n/a

Notes:

- (1) Based on the difference between the exercise price of the option and the closing market price of the Company's Common Shares on the Exchange on the last day of the financial year ended March 31, 2022, being \$0.135.

Incentive Plan Awards – Value Vested Or Earned During The Year

The following table sets out certain information respecting the value of each NEO's share-based and option-based awards that became vested or were earned during the most recently completed financial year.

Name	Option-based awards –Value vested during the year ⁽¹⁾ (\$)	Share-based awards –Value vested during the year (\$)	Non-equity incentive plan compensation –Value earned during the year (\$)
C. Howie Honeyman	Nil	n/a	n/a
Michael Willetts	Nil	n/a	n/a
Sheldon Kales	Nil	n/a	n/a

Notes:

- (1) For options that became vested during the financial year ended March 31, 2022 and were in-the-money on their vesting date, based on the difference between the exercise price of the option and the closing market price of the Company's Common Shares on the Exchange on the vesting date.

NEO Termination and Change of Control Benefits

Other than as set forth below, there are no provisions in any contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control in the Company or a change in the NEO's responsibilities. Mr. Honeyman employment agreement entitles him to 40 weeks of his salary where he is terminated without cause in the first year of his employment. This amount is

Name (a)	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date dd/mm/yy (d)	Value of unexercised in-the-money options ⁽¹⁾ (\$) (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested (\$) (g)	Market or payout value of vested share-based awards not paid out or distributed (\$) (h)
Andrew Pasternak	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Gerald Goldberg	261,250	0.175	09/11/26	0	n/a	n/a	n/a
Lea Ray	261,250	0.175	09/11/26	0	n/a	n/a	n/a
Peiwei Ni	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Judith Hong Wilkin	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Notes:

- (1) Based on the difference between the exercise price of the option and the closing market price of the Company's Common Shares on the Exchange on the last day of the financial year ended September 30, 2021, being \$0.075.
- (2) Peiwei Ni and Judith Hong Wilkin resigned from the board on October 20, 2021 in connection with the closing of the Qualifying Transaction.

Incentive Plan Awards – Value Vested Or Earned During The Year

The following table sets out certain information respecting the value of share-based and option-based awards that became vested or were earned during the most recently completed financial year, for the directors of the Company who were not NEO's.

Name	Option-based awards –Value vested during the year ⁽¹⁾ (\$)	Share-based awards –Value vested during the year (\$)	Non-equity incentive plan compensation –Value earned during the year (\$)
Wayne Maddever	n/a	n/a	n/a
John Koehle	n/a	n/a	n/a
Andrew Pasternak	n/a	n/a	n/a
Gerald Goldberg	14,608	n/a	n/a
Lea Ray	14,608	n/a	n/a
Peiwei Ni	n/a	n/a	n/a
Judith Hong Wilkin	n/a	n/a	n/a

Notes:

- (1) For options that became vested during the financial year ended March 31, 2022 and were in-the-money on their vesting date, based on the difference between the exercise price of the option and the closing market price of the Company's Common Shares on the Exchange on the vesting date.
- (2) Peiwei Ni and Judith Hong Wilkin resigned from the board on October 20, 2021 in connection with the closing of the Qualifying Transaction.

AUDIT COMMITTEE DISCLOSURE

The charter of the Company's audit committee and the other information required to be disclosed by Form 52-110F2 is attached to this Information Circular as Schedule "A".

CORPORATE GOVERNANCE DISCLOSURE

The information required to be disclosed by National Instrument 58-101 *Disclosure of Corporate Governance Practices* is attached to this information circular as Schedule "B".

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as of March 31, 2022:

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding those in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by securityholders ⁽¹⁾	1,996,437	\$0.1774	8,613,872
Equity compensation plans not approved by securityholders	Nil	n/a	n/a
TOTAL	1,996,437	\$0.1774	8,613,872

Notes:

(1) Represents the Option Plan of the Company, which reserves a number of Common Shares equal to 10% of the then outstanding Common Shares from time to time, for issue pursuant to stock options.

For further information on the Option Plan, refer to the heading "*Particulars of Other Matters to be Acted Upon – Re-Approval of Stock Option Plan.*"R

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date hereof, other than indebtedness that has been entirely repaid on or before the date of this information circular or "routine indebtedness" as defined in Form 51-102F5 of National Instrument 51-102 none of:

- the individuals who are, or at any time since the beginning of the last financial year of the Company were, a director or executive officer of the Company;
- the proposed nominees for election as a director of the Company; or
- any associates of the foregoing persons,

is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any subsidiary of the Company, or is a person whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any subsidiary of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of the following discussion, "Informed Person" means (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed elsewhere herein or in the notes to the Company's financial statements for the financial year ended March 31, 2022, none of:

- the Informed Persons of the Company;
- the proposed nominees for election as a Director of the Company; or
- any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in a proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

MANAGEMENT CONTRACTS

Except as disclosed herein, management functions of the Company and any subsidiary thereof are not, to any substantial degree, performed other than by directors or executive officers of the Company or any subsidiary thereof.

FINANCIAL STATEMENTS AND MEETING MATERIALS

The audited financial statements of the Company as at and for the year ended March 31, 2022 (the "**Financial Statements**"), together with the Auditor's Report thereon, will be presented to Shareholders at the Meeting. The Financial Statements, together with the Auditor's Report thereon and the Company's Management Discussion and Analysis, are being mailed only to those Shareholders who are on the supplemental mailing list maintained by the Company's registrar and transfer agent. Copies of the Financial Statements, together with the Auditor's Reports thereon and the Company's Management Discussion and Analysis, Notice of Meeting, Information Circular and Proxy are available on the SEDAR website at www.sedar.com and at the Company's office at 1086 Modeland Road, Sarnia, Ontario N7S 6L3.

PARTICULARS OF MATTERS TO BE ACTED UPON

I. Fixing Number of Directors and Election of Directors

The persons named in the enclosed Proxy intend to vote in favour of fixing the number of directors at six (6). Although Management is nominating six (6) individuals to stand for election, Management does not contemplate that any of the nominees will be unable to serve as a director. **The persons named in the enclosed Proxy intend to vote in favour of the election of the Management nominees herein listed, and in the absence of instructions to the contrary, the shares represented by Proxies and any other instruments of proxy will be voted for the management nominees herein listed.**

Each director of the Company is elected annually and holds office until the next annual general meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the articles of the Company.

Information Concerning Nominees Submitted By Management

The following table sets out required information regarding the persons nominated by management for election as a director. No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

Name, Province and Country of ordinary residence⁽¹⁾, and positions held with the Company	Principal occupation for the last five years⁽¹⁾	Date(s) serving as a Director	No. of shares beneficially owned or controlled⁽¹⁾
C. HOWIE HONEYMAN Director ON, Canada	President and Chief Executive Officer of the Company and President and Chief Executive Officer of Forward Water Technologies Inc. since July 2015	Since October 20, 2021	2,596,820
WAYNE MADDEVER ⁽³⁾ Director ON, Canada	Partner at BBP Consulting Inc. since November 2003; Chief Operating Officer of Forward Water Technologies Inc. from August 2019 to October 2021 and Chief Operating Officer of the Company since October 2021	Since October 20, 2021	242,000

Name, Province and Country of ordinary residence ⁽¹⁾ , and positions held with the Company	Principal occupation for the last five years ⁽¹⁾	Date(s) serving as a Director	No. of shares beneficially owned or controlled ⁽¹⁾
ANDREW PASTERNAK ⁽³⁾ Director ON, Canada	Executive Director at GreenCentre Canada since August 2021, Director of Commercialization at GreenCentre Canada from September 2010 to August 2021	Since October 20, 2021	Nil
JOHN KOEHLE ⁽²⁾ Director ON, Canada	Principal and Managing Director at FirstLine Venture Partners since May 2004; Managing Director at FirstLine Foundation since December 2018	Since October 20, 2021	Nil
LEA RAY ^{(2) (3)} Director ON, Canada	Corporate Director: Director at RFA Bank of Canada since March 2015 and chairman of the board since January 2019. Director at Patriot One Technologies Inc.(TSX) since February 2020 and ProDemnity Insurance Company since April 2017. Past Director at Aleafia Health Inc (TSX) (2018-2021), Tarion Warranty Corporation (2010-2019) and Workplace Safety and Insurance Board (2008-2019).	Since October 20, 2021	110,000
GERALD (GERRY) GOLDBERG ^{(2) (3)} Director ON, Canada	Former partner at the accounting firm of Gant Thorton LLP and former senior partner at the accounting firm Schwartz Levitsky Feldman LLP prior to 2019; CFO of Canada Computational Unlimited Corp. (formerly Capricorn Business Acquisitions Inc.) from October 2017 to September 2021 and director from December 2016 to September 2021; and CEO of Aion Therapeutics Inc. (formerly, Osoyoos Cannabis Inc.) from October 2018 to August 2020 and director from February 2018 to August 2020; CEO of Canada House Wellness Group Inc. (formerly Abba Medix Group Inc.) from April 2016 to December 2017 and director from April 2016 to December 2018.	Since October 20, 2021	Nil

- (1) The information as to ordinary residence, principal occupation and number of Common Shares of the Company beneficially owned or controlled or directed, directly or indirectly, by the nominee director and his or her associates and affiliates, not being within the knowledge of the Company, has been furnished by the respective nominees. Information provided as at the Record Date.
- (2) Member of the audit committee (Gerald Goldberg, Chair)
- (3) Member of the Governance, Nomination and Compensation Committee (Andrew Pasternak, Chair).

Biographical Information

The following is biographical information for each of the directors.

C. Howie Honeyman, age 56, Chief Executive Officer, President and Director

Mr. Honeyman has served as CEO of FWT since 2015 and President since 2016. Mr. Honeyman has over 20 years of experience commercializing new technologies, having worked in senior or executive positions for both large multi-national companies including Cabot Corporation and more recently several innovation based start-ups, such as E Ink and Natrix Separations Inc. Mr. Honeyman has also served as the Chief Technology Officer for GreenCentre Canada. Mr. Honeyman's experience in developing and commercializing new technologies includes e-paper displays while at E Ink and high capacity high through-put membranes for bioprocessing as a Senior Vice President of Natrix Separations Inc., the latter was acquired by MilliporeSigma Canada Co. Mr. Honeyman is also the inventor of record on over 50 US patents. Mr. Honeyman holds a Ph.D. in Chemistry from the University of Toronto.

Wayne Maddever, age 73, Chief Operating Officer and Director

Dr. Maddever has served as director of FWT since 2020. Dr. Maddever has over 35 years of experience working in senior executive management positions with technically based businesses in start-up, turnaround or acquisition situations where his skills at change management have aided in the commercialization of new technologies. Dr. Maddever's experience in both private and public companies, both domestically and internationally, spans a broad variety of industries, including bio- and advanced materials, precision manufacturing, recycling, waste to energy and medical devices. Dr. Maddever is currently Portfolio Manager at Bioindustrial Innovation Canada and a Fellow of the Canadian Academy of Engineering. Dr. Maddever also holds a number of patents in several fields. Dr. Maddever holds a Ph.D. in Materials Science Engineering from the University of Toronto.

Michael Willetts, age 60, Chief Financial Officer

Mr. Willetts joined FWT in May 2021, acting as Chief Financial Officer, under contract between FWT and WD Numeric. Mr. Willetts has over 30 years of experience as a financial leader in the automotive, construction products, manufacturing and SaaS industries for large multinationals, mid-market businesses and startups, including both public and private companies. Mr. Willetts started his career as a professional engineer in the automotive industry before receiving a Master of Business Administration in accounting and finance from the University of Windsor. Currently, Mr. Willetts provides fractional CFO services at WD Numeric Corporate Services where he is CFO for GetSwift Technologies Ltd., a SaaS business and interim CFO for Flowr Corp, a Canadian cannabis producer.

Andrew Pasternak, age 53, Director and Chair

Dr. Pasternak has served as director of FWT since 2020. Dr. Pasternak has over 24 years of experience directing early-stage companies with technology commercialization and product development activities in a wide variety of fields including chemistry, biotechnology, medical devices, drug discovery and instrumentation. Dr. Pasternak has managed multi-disciplined teams in both large and start-up company environments, directing commercial efforts that have resulted in numerous strategic partnerships, high margin service contracts and licensing agreements. Dr. Pasternak is currently the Executive Director at GreenCentre Canada. Dr. Pasternak previously served as the Director of Commercialization at GreenCentre Canada from September 2010 to August 2021. Dr. Pasternak has also previously directed research and commercialization at MDS Sciex Inc., Covalon Technologies Ltd, Protana Inc. and Transition Therapeutics Inc. Dr. Pasternak holds a Ph.D. in Bio-Chemical Engineering from Northwestern University as well as an MBA from the Rotman School of Business (University of Toronto). Dr. Pasternak is an accredited Professional Director and serves as a board member in several early stage and volunteer organizations.

John Koehle, age 52, Director

Mr. Koehle has served as director of FWT since 2019. Mr. Koehle has over 8 years of experience supporting the commercialization of early-stage companies. Mr. Koehle's experience includes working in industries such as environmental, transportation, information technology, food, and medical. Mr. Koehle is also the Principal and Managing Director of FirstLine Venture Partners Corporation, a privately held venture capital firm. Over the past 15 years, he has served on numerous boards in both corporate and not-for-profit sectors. Mr. Koehle holds a B.A.Sc. in Mechanical Engineering from the University of Waterloo.

Lea M. Ray, age 55, Director

Ms. Ray has over 16 years of experience working as a director on both public and private sector boards. Ms. Ray's experience includes serving as the Board Chairman and Audit Committee Chair of RFA Bank of Canada. Ms. Ray serves as the Audit Committee Chair of Patriot One Technologies Inc. (TSX) and serves as Lead Director and past Audit Committee Chair of Pro-Demnity Insurance Company. She has served on the boards of Aleafia Health Inc. (TSX), the Workplace Safety and Insurance Board (Ontario), the Tarion Warranty Corporation, and the Rouge Valley Health System. Ms. Ray is a certified director of the Institute of Corporate Directors (ICD.D) and holds a CPA designation from the Canadian Institute of Chartered Accountants, as well as a Bachelor of Commerce degree from the University of Windsor.

Gerald (Gerry) Goldberg, age 78, Director

Mr. Goldberg has over 40 years of experience working as an accountant. Mr. Goldberg is currently the Chief Executive Officer of Golden Hills Financial Inc. Mr. Goldberg was previously a senior partner at the accounting firm Schwartz Levitsky Feldman LLP and has served as the Chief Executive Officer of Canada House Wellness Group Inc. and Osoyoos Cannabis Inc. Mr. Goldberg has also previously served as the Chief Financial Officer of Capricorn Business Acquisitions Inc. Mr. Goldberg's experience also includes serving as a board member to both Toronto Stock Exchange and TSXV listed companies, including PineTree Capital Ltd. (TSX), Prime City One Capital Corp. (formerly Scorpio Capital Corp.) (TSXV), Jite Technologies Inc. (TSXV), and Harborside Inc. (formerly Grasslands Entertainment Inc.) (TSXV). Mr. Goldberg has also previously served as a board member of companies listed on the Canadian Securities Exchange including but not limited to Gravitas Financial Inc., FSD Pharma Inc., and Amex listed Ever-Glory International Group. Mr. Goldberg holds a CPA from the Canadian Institute of Charter Accountants as well as a Certificate in the Theory of Accounting from the University of South Africa.

Cease Trade Orders, Corporate And Personal Bankruptcies, Penalties And Sanctions

For purposes of the disclosure in this section, an "order" means 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 securities legislation, in each case that was in effect for a period of more than 30 consecutive days; and for purposes of item (a)(i) below, specifically includes a management cease trade order which applies to directors or executive officers of a relevant company that was in effect for a period of more than 30 consecutive days whether or not the proposed director was named in the order.

Other than as disclosed below, none of the proposed directors, including any personal holding company of a proposed director:

- (a) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
 - (i) was subject to an order that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or
 - (ii) 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 a director, chief executive officer or chief financial officer of the company; or
- (b) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within the 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 the assets of the proposed director;
- (d) 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 since December 31, 2000, or before December 31, 2000 if the disclosure of which would likely be important to a reasonable securityholder in deciding whether to vote for a proposed director, or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Gerald Goldberg was the Interim Chief Executive Officer of Canadian House Wellness Group Inc. ("**Canada House**") when a management cease trader order (the "**MCTO**") was issued by the Ontario Securities Commission on September 13, 2017. The MCTO was issued in respect of Canada House's failure to file its audited financial statements and management discussion and analysis for the year ended April 30, 2017 before the August 28, 2017 filing deadline. The MCTO was lifted effective November 22, 2017.

II. Appointment and Remuneration of Auditors

Management recommends the re-appointment of KPMG LLP as the auditors for the Company, to hold office until the next annual general meeting of the Shareholders at a remuneration to be fixed by the Board of Directors. KPMG LLP was first appointed as auditors of the Company on October 20, 2021. **The persons named in the enclosed Proxy intend to vote in favour of such re-appointment, and in the absence of instructions to the contrary, the shares represented by Proxies and any other instruments of proxy will be voted for the re-appointment of KPMG LLP.**

III. Re-Approval of Stock Option Plan

At the previous annual general meeting, the Company proposed and its Shareholders re-approved a 10% "rolling" stock option plan. Under the policies of the Exchange, a rolling stock option plan must be re-approved on a yearly basis by Shareholders. Accordingly,

Shareholders will be asked to pass an ordinary resolution adopting and re-approving the Company's "rolling" stock option plan. A summary of the material provisions of the Option Plan are as follows:

- the number of Common Shares that may be reserved for issuance under the Option Plan and under any other securities-based compensation will not exceed, in the aggregate, 10% of the outstanding Common Shares (on a non-diluted basis) on each grant date;
- the number of Common Shares reserved for issue to any one person in any 12 month period under the Option Plan or any other securities-based compensation may not exceed 5% of the outstanding Common Shares at the time of grant without Disinterested Shareholder Approval (as defined in Policy 4.4 of the Exchange);
- the number of Common Shares reserved for issue to any Consultant (as defined by the Exchange) in any 12 month period under the Option Plan or any other securities based arrangement may not exceed 2% of the outstanding Common Shares at the time of grant;
- the aggregate number of Common Shares reserved for issue to any person conducting Investor Relations Activities (as defined by the Exchange) in any 12 month period under the Option Plan may not exceed 2% of the outstanding Common Shares at the time of grant;
- subject to a minimum exercise price of \$0.05, the exercise price per common share for a stock option may not be less than the Discounted Market Price (as calculated pursuant to the policies of the Exchange);
- stock options may have a term not exceeding five years;
- if a participant who is an officer, employee or consultant is terminated for cause, each Option held by such participant shall terminate upon such termination for cause. If a participant dies prior to otherwise ceasing to be an eligible person, each vested Option held by such participant shall terminate no later than the earlier of the expiry date and the date which is twelve months after the date of death. If a participant ceases to be an eligible person other than by death or termination for cause, each vested Option held by such participant shall terminate no later than the expiry date and the date which is 90 days after such event. If any portion of an Option is not vested at the time a participant ceases to be an eligible person, such unvested portion of the option may not be exercised, provided that the Board may, in its discretion and subject to the approval of the Exchange, permit the participant to exercise all or any part of such unvested portion of the Option that would have vested prior to the time such Option otherwise terminates;
- stock options are non-assignable and non-transferable;
- the Option Plan contains provisions for adjustment in the number of Common Shares or other property issuable on exercise of stock options in the event of a share consolidation, split, reclassification or other relevant change in the Common Shares, or an amalgamation, merger or other relevant change in the Company's corporate structure, or any other relevant change in the Company's capitalization. Any adjustment, other than in connection with a security consolidation or security split, to the Options granted under the Option Plan must be subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization; and
- in connection with the exercise of an option, as a condition to such exercise, the Company shall require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such option.

Shareholders of the Company will be asked at the Meeting to approve an ordinary resolution in the form below to approve the ratification of the Option Plan.

BE IT RESOLVED THAT, as an ordinary resolution:

1. the Company's stock option plan as described in the Company's management information circular prepared in connection with the 2022 annual and special meeting of Shareholders, be hereby ratified and approved; and
2. any director or officer of the Company be and he or she is hereby authorized and directed, on behalf of the Company, to

execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give 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.

In the event that the Option Plan is not so ratified no further options may be granted under the Option Plan but those currently outstanding shall remain in place in accordance with their terms until their expiry.

Such resolution must be approved by a majority of the Company's Shareholders.

The persons named in the enclosed Proxy intend to vote in favour of re-approving the Option Plan, and in the absence of instructions to the contrary, the shares represented by Proxies and any other instruments of proxy will be voted for the re-approval of the Option Plan.

IV. Other Matters

As of the date of this Circular, Management knows of no other matters to be acted upon at this Meeting. However, should any other matters properly come before the Meeting, the shares represented by Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Copies of the Company's Financial Statements and Management Discussion and Analysis may be obtained without charge at the offices of the Company at 1086 Modeland Road, Sarnia, Ontario N7S 6L3.

DIRECTOR APPROVAL

The contents of this Circular and the sending thereof to the Shareholders has been approved by the Board of Directors.

DATED at Toronto, Ontario, as of this 23rd day of August, 2022.

FORWARD WATER TECHNOLOGIES CORP.

"Howie Honeyman"

HOWIE HONEYMAN
President & CEO

SCHEDULE "A"

**FORWARD WATER TECHNOLOGIES CORP.
FORM 52-110F2
AUDIT COMMITTEE DISCLOSURE**

ITEM 1: THE AUDIT COMMITTEE'S CHARTER

1. PURPOSE

- 1.1 The primary functions of the Audit Committee of Forward Water Technologies Corp. (the “**Company**”) are to fulfill its responsibilities in relation to reviewing the integrity of the Company’s financial statements, financial disclosures and internal controls over financial reporting; monitoring the system of internal control; monitoring the Company’s compliance with legal and regulatory requirements; selecting the external auditors for shareholder approval; and reviewing the qualifications, independence and performance of the external auditors.

2. MEMBERSHIP AND ORGANIZATION

- 2.1 **Composition** - Subject to paragraph 2.6, the Audit Committee shall consist of not less than three independent members of the Board. At the invitation of the Audit Committee, members of the Company’s management and others may attend Audit Committee meetings as the Audit Committee considers necessary or desirable.
- 2.2 **Appointment and Removal of Audit Committee Members** - Each member of the Audit Committee shall be appointed by the Board on an annual basis and shall serve at the pleasure of the Board, or until the earlier of (a) the close of the next annual meeting of shareholders of the Company at which the member’s term of office expires, (b) the death of the member or (c) the resignation, disqualification or removal of the member from the Audit Committee or from the Board. The Board may fill a vacancy in the membership of the Audit Committee.
- 2.3 **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 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. The Chair may vote on any matter requiring a vote and shall provide a second vote in the case of a tie vote.
- 2.4 **Independence** - Subject to paragraph 2.6, each member of the Audit Committee shall be an “independent” (as such term is used in National Instrument 52-110 - Audit Committees (“**NI 52-110**”)).
- 2.5 **Financial Literacy** - Subject to paragraph 2.6, members of the Audit Committee shall be financially literate or agree to become financially literate within a reasonable period of time following the member’s appointment. An individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.
- 2.6 **Venture Issuer** - For so long as the Company is a “venture issuer” as defined in NI 52-110, it is not required to comply with the provisions of paragraph 2.1 “Composition”, 2.4 “Independence” or 2.5 “Financial Literacy” above. In the event the Company cannot comply with all or a part of these provisions, then the Committee shall be comprised of not less than three members of the Board, a majority of whom are not officers or employees of the Company or a subsidiary of the Company.

3. MEETINGS

- 3.1 **Meetings** - The members of the Audit Committee shall hold meetings as are required to carry out this mandate, and in any case no less than four meetings annually. The external auditors are entitled to attend and be heard at each Audit Committee meeting. The Chair, any member of the Audit Committee, the external auditors, the Chairman of the Board or the President and CEO may call a meeting 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.

- 3.2 **Secretary and Minutes** - The Secretary, his or her designate or any other person the Audit Committee requests, shall act as secretary at Audit Committee meetings. Minutes of Audit Committee meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Audit Committee for approval.
- 3.3 **Quorum** - A majority of the members of the Audit Committee shall constitute a quorum. If a quorum cannot be obtained for an Audit Committee meeting, members of the Board who would qualify as members of the Audit Committee may, at the request of the Chair or the Chairman of the Board, serve as members of the Audit Committee for that meeting.
- 3.4 **Access to Management and Outside Advisors** - The Audit Committee shall have unrestricted access to management and employees of the Company, and, from time to time may hold meetings with the external auditor, the CFO or the President and CEO. The Audit Committee shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective compensation for these advisors without consulting or obtaining the approval of the Board or any officer of the Company. The Company shall provide appropriate funding, as determined by the Audit Committee, for the services of these advisors.
- 3.5 **Meetings Without Management** - The Audit Committee shall hold unscheduled or regularly scheduled meetings, or portions of regularly scheduled meetings, at which management is not present.

4. FUNCTIONS AND RESPONSIBILITIES

The Audit Committee shall have the functions and responsibilities set out below as well as any other functions that are specifically delegated to the Audit Committee by the Board. In addition to these functions and responsibilities, the Audit Committee shall perform the duties required of an audit committee by applicable corporate securities laws, the binding requirements of the stock exchanges on which the securities of the Company are listed, and all other applicable laws.

4.1 Financial Reports

- (a) **General** - The Audit Committee is responsible for reviewing the integrity of the Company's financial statements and financial disclosures. Management is responsible for the preparation, presentation and integrity of the Company's financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by the Company. The external auditors are responsible for auditing the Company's annual consolidated financial statements and, if requested by the Company, for reviewing the Company's unaudited interim financial statements.
- (b) **Review of Annual Financial Reports** - The Audit Committee shall review the annual consolidated audited financial statements of the Company, the external auditors' report thereon and the related management's discussion and analysis of the Company's financial condition and results of operation to determine whether they present fairly, in all material respects in accordance with Canadian generally accepted accounting principles, or any other generally accepted accounting principles in which the financial statements of the Company are prepared from time to time, the financial condition, results of operations and cash flows of the Company. 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 Company, the external auditors review report thereon, if applicable, and the related MD&A to determine whether they present fairly, in all material respects in accordance with IFRS, the financial condition, results of operations and cash flows of the Company. After completing its review, if advisable, the Audit Committee shall, if so authorized by the Board, approve the interim financial statements and the related MD&A, or if not authorized by the Board, then approve and recommend for Board approval.
- (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 external 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 external auditors;
- (iv) discuss with management, the external auditors and legal counsel, as requested, any litigation claim or other contingency that could have a material effect on the financial statements;
- (v) review critical accounting and other significant estimates and judgments 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;
- (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 results of the Company's whistleblowing program; and
- (x) review any other matters, related to the financial statements, that are brought forward by the external auditors, management or which are required to be communicated to the Audit Committee under accounting policies, auditing standards or applicable law.

4.2 **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 Company, press releases disclosing financial results of the Company and any other material financial disclosure, including in Management Information Circulars and Annual Information Forms

4.3 **External Auditors**

- (a) **General** -The Audit Committee shall be responsible for oversight of the work of the external auditors in auditing and reviewing the Company's financial statements and internal controls over financial reporting.
- (b) **Appointment and Compensation** - The Audit Committee shall review and, if advisable, select and recommend (i) for shareholder approval, the appointment of the external auditors and (ii) for shareholder or Board approval, as applicable, the compensation of the external auditors.
- (c) **Annual Review Report** - At least annually, the Audit Committee shall obtain and review a report by the external auditors describing: (i) their internal quality-control procedures and (ii) any material issues raised by their most recent internal quality-control review, peer review or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the external auditors and any steps taken to deal with any of these issues.
- (d) **Audit Plan** - At least annually, the Audit Committee shall review a summary of the external auditors' annual audit plan. The Audit Committee shall consider and review with the external auditors any material changes to the scope of the plan.
- (e) **Quarterly Review Report** - If the external auditors review the Company's unaudited interim financial statements, then the Audit Committee shall review a quarterly review report prepared by the external auditors in respect of each of the interim financial statements of the Company.
- (f) **Independence of External Auditors** - At least annually, and before the external auditors issue their report on the annual financial statements, the Audit Committee shall obtain from the external auditors a formal written statement describing all relationships between the external auditors and the Company, discuss with the external auditors any disclosed relationships or services that may affect the objectivity and independence

of the external auditors, and obtain written confirmation from the external auditors that they are objective and independent within the meaning of the Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered accountants to which it belongs.

- (g) **Evaluation and Rotation of Lead Partner** - At least annually, the Audit Committee shall review the qualifications and performance of the lead partners of the external auditors. The Audit Committee shall obtain a report from the external auditors annually verifying that the lead partner of the external auditors has served in that capacity for no more than five fiscal years of the Company and that the engagement team collectively possesses the experience and competence to perform an appropriate audit.
- (h) **Pre-Approval of Non-Audit Services** - The Audit Committee shall pre-approve any retainer of the external auditors for any non-audit service to the Company in accordance with applicable law 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.
- (i) **Hiring Practices** - The Audit Committee shall review and approve guidelines regarding the hiring of employees or former employees of the external auditors.

4.4 **Internal Controls**

- (a) **General** - The Audit Committee shall monitor the system of internal control.
 - (b) **Establishment, Review and Approval** - The Audit Committee shall require management to implement and maintain appropriate systems of internal control in accordance with applicable laws, regulations and guidance, including internal control over financial reporting and disclosure and to review, evaluate and approve these procedures. At least annually, the Audit Committee shall consider and review with management and the external auditors: (i) the effectiveness of, or weaknesses or deficiencies in: the design or operation of the Company's internal controls (including computerized information system controls and security); the overall control environment for managing business risks; and accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), non-financial controls, and legal and regulatory controls and the impact of any identified weaknesses in internal controls on management's conclusions; (ii) any significant changes in internal control over financial reporting that are disclosed, or considered for disclosure, including those in the Company's periodic regulatory filings; (iii) any material issues raised by any inquiry or investigation by the Company's regulators; (iv) any related significant issues and recommendations of the external auditors together with management's responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls.
- 4.5 **Whistleblowing Procedures** - The Audit Committee shall review and approve the establishment by management of procedures for the receipt, retention and treatment of complaints received by the Company from employees or others, regarding accounting, internal accounting controls, or auditing matters.
- 4.6 **Succession Planning** - In consultation with the Board, the Audit Committee shall review succession plans for the CFO and the Chief Accountant or Controller of the Company. The Audit Committee shall review candidates for the position of CFO of the Company and make recommendations to the Board with respect to the appointment of a CFO.
- 4.7 **Adverse Investments and Transactions** - The Audit Committee shall review any investments and transactions that could adversely affect the well-being of the Company.
- 4.8 **Audit Committee Disclosure** - The Audit Committee shall review and approve any audit committee disclosures required by securities regulators in the Company's disclosure documents.
- 4.9 **Assessment of Regulatory Compliance** - The Audit Committee shall review management's assessment of compliance with laws and regulations as they pertain to responsibilities under this mandate, report its findings to the Board and recommend changes it considers appropriate.

- 4.10 **Delegation** - The Audit Committee may designate a sub-committee to review any matter within this mandate as the Audit Committee deems appropriate.

5. REPORTING TO THE BOARD

- 5.1 The Chair shall report to the Board, as required by applicable law or as deemed necessary by the Audit Committee or as requested by the Board, on matters arising at Audit Committee meetings and, where applicable, shall present the Audit Committee's recommendation to the Board for its approval.

ITEM 2: COMPOSITION OF THE AUDIT COMMITTEE

The current members of the Committee are Gerald Goldberg (Chair), Lea Ray and John Koehle. A member of the Committee is considered financially literate if the member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company. A member of the audit committee is considered independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company's board of directors, reasonably interfere with the exercise of a member's independent judgment.

All of the current members are considered financially literate and independent.

ITEM 3: RELEVANT EDUCATION AND EXPERIENCE

For information on the relevant education and experience of the audit committee members please see their biographies in the attached information circular.

ITEM 4: AUDIT COMMITTEE OVERSIGHT

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

ITEM 5: RELIANCE ON CERTAIN EXEMPTIONS

During the most recently completed fiscal year, the Company has not relied on the exemptions contained in sections 2.4 or 8 of National Instrument 52-110 – Audit Committees ("**NI 52-110**"). Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided, the Company did not recognize the services as non-audit services at the time of engagement, and the services are promptly brought to the attention of the audit committee and approved prior to the completion of the audit by the audit committee. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

ITEM 6: PRE-APPROVAL POLICIES AND PROCEDURES

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Company's Board of Directors, and where applicable by the Audit Committee, on a case by case basis.

ITEM 7: EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

The aggregate fees charged to the Company by the external auditor in each of the last two fiscal years, is as follows:

	FYE March 31, 2022	FYE January 31, 2021
Audit fees for the year ended	\$56,175	\$9,000
Audit related fees	27,285	Nil
Tax fees	3,478	\$2,000
All other fees (non-tax)	Nil	Nil
Total Fees:	\$86,938	\$11,000

ITEM 8: EXEMPTION

In respect of the most recently completed financial year, the Company is relying on the exemption set out in Part 5 (Reporting Obligations) of NI 52-110.

SCHEDULE "B"

FORWARD WATER TECHNOLOGIES CORP. NI 58-101 CORPORATE GOVERNANCE DISCLOSURE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* the Company is required to and hereby discloses its corporate governance practices as follows.

ITEM 1. BOARD OF DIRECTORS

The Board of Directors of the Company facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

A director is considered independent if the director has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Company's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment.

Director	Independence
C. Howie Honeyman	Not independent, as he is President & CEO of the Company
Wayne Maddever	Not independent, as he is Chief Operating Officer of the Company
John Koehle	Independent
Andrew Pasternak	Independent
Gerald Goldberg	Independent
Lea Ray	Independent

ITEM 2. DIRECTORSHIPS

The directors of the Company are currently directors of the following other reporting issuers:

Name of Director	Name of Reporting Issuer
Lea Ray	Patriot One Technologies Inc. (Toronto Stock Exchange)
Gerald Goldberg	Baymount Incorporated (formerly, Academy Capital Corp.) (NEX)

ITEM 3. ORIENTATION AND CONTINUING EDUCATION

New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However, there is no formal orientation for new members of the Board, and this is considered to be appropriate, given the Company's size and current level of operations. However, if the growth of the Company's operations warrants it, it is likely that a formal orientation process will be implemented. The Company also encourages continuing education of its directors and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to the Company.

ITEM 4. ETHICAL BUSINESS CONDUCT

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan

and to meet performance goals and objectives. To that end, the Company has adopted a Code of Business Conduct and Ethics which applies to the directors, officers and employees of the Company and its subsidiaries in respect of their activities in connection with the Company. The Code of Business Conduct and Ethics is provided to all such directors, officers, employees and other persons, and addresses such matters as compliance with laws, conflicts of interest, confidential information, protection and proper use of our assets, rules and regulations and the reporting of illegal and unethical behaviour. The Code of Business Conduct and Ethics can be viewed on the SEDAR website (www.sedar.com).

The Company encourages those who become aware of a conflict or potential conflict or departures from the Code of Business Conduct and Ethics to bring it to the attention of their immediate supervisor or a the Chair of the Audit Committee or the Governance, Nomination and Compensation Committee. The Board requires every director and officer to disclose any direct or indirect conflict of interest that he or she has and, if applicable, not to vote on any resolution in connection with such matter unless permitted by the *Business Corporations Act* (Ontario). Any waivers of the Code of Business Conduct and Ethics may only be granted by the Board.

ITEM 5. NOMINATION OF DIRECTORS

The Governance, Nomination and Compensation Committee of the Board of Directors is responsible for establishing and articulating qualifications, desired background, and selection criteria for members of the Board taking account of any applicable securities laws, rules or guidelines, or stock exchange requirements or guidelines. The Governance, Nomination and Compensation Committee makes recommendations to the full Board concerning all nominees for Board membership. When it is determined that a new director is desirable, the Governance, Nomination and Compensation Committee will engage in appropriate activities to ensure an effective process for selecting candidates for nomination, including developing criteria for the selection of a new director and identifying and recommending individuals qualified and suitable to become directors.

ITEM 6. COMPENSATION

A description of the Company's approach to compensation of its Executive Officers and Board members is set forth under the heading "Statement of Executive Compensation" above.

ITEM 7. OTHER BOARD COMMITTEES

In addition to the Audit Committee, the Board of Directors has formed the Governance, Nomination and Compensation Committee. The mandate of the Governance, Nomination and Compensation Committee includes reviewing the compensation arrangements for the Company's senior executives, reviewing and approving the responsibilities of, and related performance criteria for, the senior executives as well as their long-term and short-term incentive compensation targets and assessing their performance against such criteria and targets. In addition, the committee is to develop and make recommendations to the Board of Directors with respect to corporate governance matters, including preparing and reviewing the Company's disclosure with respect to human resources and compensation matters before such disclosure is submitted to the Board of Directors for approval. The Governance, Nomination and Compensation Committee is also responsible for the review and periodic update of the Company's corporate governance mandates, policies and procedures which govern the conduct of the Company's directors, officers and other employees. Moreover, the Governance, Nomination and Compensation Committee is mandated to examine, on an annual basis, the size and composition of the Board of Directors and, if appropriate, make recommendations in that regard in order to ensure the composition of the Board of Directors facilitates effective decision making.

ITEM 8. ASSESSMENTS

The Governance, Nomination and Compensation Committee annually solicits input from the full Board of Directors to determine the effectiveness of the operation of the Board of Directors, board committees and individual Board members, including reviewing and monitoring compliance with governance and operating practices. The Governance, Nomination and Compensation Committee is mandated to assess at least annually the optimum size of the Board of Directors and makes recommendations to the Board of Directors on any changes. The Board of Directors has determined that the proposed number of directors of the Company is appropriate for the Board of Directors to function at this time and that following the election of directors at the Meeting the Board will remain properly constituted to reflect the investment of all of its shareholders.