

**SLEEPING GIANT CAPITAL CORP.**

**Notice of Meeting  
and  
Information Circular**

**in respect of an**

**ANNUAL GENERAL MEETING OF  
SHAREHOLDERS**

**to be held on September 5, 2024**

**INFORMATION CIRCULAR**

**Dated August 9, 2024**

August 9, 2024

Dear Sleeping Giant Capital Corp. Shareholder:

**Important Notice regarding the Format and Participation in the Annual General Meeting of Sleeping Giant Capital Corp. (the "Corporation") on September 5, 2024.**

In accordance with the by-laws of the Corporation, Management has decided the following:

- this years' meeting will be held solely by means of videoconference. There will be no in person meeting; and
- the meeting will be limited to the formal business set out in the Corporation's accompanying management information circular. Management does not intend to provide a corporate presentation following the formal portion of the meeting.

**Given the nature of a virtual meeting, the Corporation strongly encourages registered shareholders to submit their vote by proxy ahead of the meeting in accordance with the instructions described in the accompanying information circular.** If you are a registered shareholder and would like to attend the meeting, you can access the meeting via Microsoft Teams using Meeting ID: 211 087 088 612 and Passcode: VjFtJU. If you have any questions regarding attending the meeting, please contact the Corporation's legal counsel, Stikeman Elliott LLP, at [mhooker@stikeman.com](mailto:mhooker@stikeman.com).

If changes to our plans for the meeting are required, including and adjournment or postponement, the Corporation will provide an update by way of electronic or registered mail as promptly as practicable.

Sincerely yours,

*Terence S. Meek*  
*Director and Chief Executive Officer*

**SLEEPING GIANT CAPITAL CORP.  
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

to be held on September 5, 2024

**TO THE SHAREHOLDERS:**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of shares (“**Shares**”) of Sleeping Giant Capital Corp. (the “**Corporation**”) will be held solely by means of videoconference on September 5, 2024 at 10:00 a.m. (Calgary time) for the following purposes.

1. To receive the audited consolidated financial statements for the years ended December 31, 2022 and December 31, 2023, together with the auditor’s reports thereon.
2. To fix the number of directors to be elected at the Meeting at four.
3. To elect the directors of the Corporation for the ensuing year.
4. To appoint an auditor of the Corporation for the ensuing year and authorize the directors to fix the remuneration of the auditor.
5. To approve the Option Plan (as described below) of the Corporation for the ensuing year.
6. To transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Shareholders are referred to the attached Information Circular for more detailed information with respect to the matters to be considered at the Meeting.

**The Corporation has decided to host the Meeting solely by means of videoconference, as permitted by the Corporation’s bylaws. All shareholders are strongly encouraged to submit their vote by proxy ahead of the Meeting in accordance with the instructions described in the accompanying information circular.** If you are a registered shareholder and would like to attend the meeting, you can access the meeting via Microsoft Teams using Meeting ID: 211 087 088 612 and Passcode: VjFtJU. If you have any questions regarding attending the meeting, please contact the Corporation’s legal counsel, Stikeman Elliott LLP, at [mhooker@stikeman.com](mailto:mhooker@stikeman.com).

**Shareholders unable to participate in the videoconference Meeting are requested to date and sign the enclosed form of proxy or return it by mail at Odyssey Trust Company, 702, 67 Yonge Street Toronto, ON M5E 1J8, or by Internet at <https://login.odysseytrust.com/pxlogin> not later than 48 hours prior to the time set for the Meeting or any adjournment or adjournments thereof.**

The directors of the Corporation have fixed August 1, 2024 as the record date for the Meeting. Shareholders of record at the close of business on August 1, 2024 are entitled to notice of the Meeting and to vote thereat or at any adjournment(s) thereof.

Dated at the City of Calgary, in the Province of Alberta, this 9<sup>th</sup> day of August, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Terence S. Meek”*

\_\_\_\_\_  
Terence S. Meek  
Director and Chief Executive Officer

**SLEEPING GIANT CAPITAL CORP.**

**INFORMATION CIRCULAR**

**FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON SEPTEMBER 5, 2024**

**PURPOSE OF SOLICITATION**

This Information Circular is furnished in connection with the solicitation of proxies by the management of Sleeping Giant Capital Corp. (the “Corporation”) for use at the Annual General Meeting (the “Meeting”) of the holders (the “Shareholders”, each individually, a “Shareholder”) of common shares (“Common Shares” or “Shares”) of the Corporation. The Meeting will be held solely by means of videoconference, on September 5, 2024, at 10:00 a.m. (Calgary time), and at any adjournment thereof for the purposes set forth in the Notice of Annual General Meeting of Shareholders (the “**Notice of Meeting**”) accompanying this Information Circular. Information contained herein is given as of August 9, 2024 unless otherwise specifically stated.

**SOLICITATION OF PROXIES**

This solicitation of proxies is being made by the Corporation and will be primarily by email but may also be by telephone, facsimile or in person by directors, officers and employees of the Corporation who will not be additionally compensated therefor. Brokers, nominees or other persons holding shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such shares. The costs of soliciting proxies will be borne by the Corporation.

**RECORD DATE**

The Shareholders of record on August 1, 2024, are entitled to notice of, and to vote at, the Meeting.

**CURRENCY**

All amounts referred to in this Information Circular are in Canadian Dollars unless otherwise specified.

**APPOINTMENT AND REVOCATION OF PROXIES**

The form of proxy affords Shareholders or intermediaries an opportunity to specify that the Shares registered in their name shall be voted for or against or withheld from voting in respect of the elections of directors, the appointment of auditors and on certain other matters as specified in the accompanying Notice of Meeting.

Enclosed herewith is a form of proxy for use at the Meeting. The persons named in the enclosed form of proxy are the Chief Executive Officer and the Chief Financial Officer, respectively, of the Corporation. **A Shareholder submitting a proxy has the right to appoint a nominee (who need not be a Shareholder) to represent him or her at the Meeting other than the persons designated in the enclosed proxy form by inserting the name of his or her chosen nominee in the space provided for that purpose on the form and by striking out the printed names.**

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is signed by the Shareholder or by the Shareholder’s attorney authorized in writing or, if the Shareholder is a corporation, it must be executed by a duly authorized officer or attorney thereof. **The proxy, to be acted upon, must be deposited by mail at Odyssey Trust Company, 702, 67 Yonge Street Toronto, ON M5E 1J8, or by**

Internet at <https://login.odysseytrust.com/pxlogin> not later than 48 hours prior to the time set for the Meeting or any adjournment or adjournments thereof.

A Shareholder who has given a proxy may revoke it prior to its use, in any manner permitted by law, including by instrument in writing executed by the shareholder or by his or her attorney authorized in writing or, if the shareholder is a corporation, executed by a duly authorized officer or attorney thereof and deposited at the offices of Odyssey Trust Company at the above noted address at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Meeting Chair on the day of the Meeting or any adjournment thereof.

## VOTING OF PROXIES

All Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting, in accordance with the instructions of the Shareholder on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the accompanying form of proxy, the Shares represented by the proxy will be voted or withheld in accordance with such instructions given by the shareholder. **In the absence of any such instruction, the persons whose names appear on the printed form of proxy will vote in favour of all the matters set out thereon. The enclosed form of proxy confers discretionary authority upon the persons named therein. If any other business or amendments or variations to matters identified in the Notice of Meeting properly comes before the Meeting then discretionary authority is conferred upon the person appointed in the proxy to vote in the manner they see fit, in accordance with their best judgment.**

At the time of delivering this Information Circular, management of the Corporation knows of no such amendment, variation or other matter to come before the Meeting.

Shareholders who do not hold their Shares in their own name (referred to herein as “**beneficial shareholders**”) are advised that only proxies from shareholders of record can be recognized and voted 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 Corporation. Such Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the beneficial shareholder. Without specific instructions, brokers/nominees are prohibited from voting Shares for their clients. The directors and officers of the Corporation do not necessarily know for whose benefit the Shares registered in the name of any broker or agent are held. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from beneficial shareholders in advance of shareholders’ meetings. Every intermediary (broker) has its own mailing procedure, and provides its own return instructions, which should be carefully followed.

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

## INFORMATION CONCERNING THE CORPORATION

### Voting Shares and Principal Holders Thereof

The directors of the Corporation have fixed August 1, 2024 as the record date of the Meeting (the “**Record Date**”). Holders of Shares at the close of business on the Record Date are entitled to receive notice of the Meeting and to vote thereat or at any adjournments thereof on the basis of one (1) vote for each Share held. As of the Record Date, 12,795,999 Shares were issued and outstanding as fully paid and non-assessable.

To the knowledge of the directors and officers of the Corporation, other than as set forth below, there are no persons, firms or corporations that beneficially own, directly or indirectly, or exercise control or direction over ten percent (10%) or more of the issued and outstanding Shares of the Corporation.

Name of Shareholder	Number of Shares Held	Percent of Issued and Outstanding Shares <sup>(1)</sup>
Harvard Energy Partnership <i>Alberta, Canada</i>	4,550,000	35.6%

Note:

(1) As of the date hereof, there are 12,795,999 Shares issued and outstanding.

### **Indebtedness of Directors and Officers**

No directors or officers of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any one of them, is or was indebted, directly or indirectly, to the Corporation or its subsidiaries at any time since the beginning of the financial year ended December 31, 2023.

### **Interest of Informed Persons in Material Transactions**

None of the Corporation's directors or executive officers, nor any person who beneficially owns directly or indirectly or exercises control or direction over securities carrying more than ten percent (10%) of the voting rights attaching to the Shares, nor any known associate or affiliate of these persons had any material interest, direct or indirect in any transaction since the commencement of the Corporation's last completed financial year which has materially affected the Corporation, or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

### **Interests of Certain Persons and Companies in Matters to be Acted Upon**

Gordon Cameron, the Corporate Secretary of the Corporation, is counsel at the national law firm of Stikeman Elliott LLP, which law firm renders legal services to the Corporation.

Other than as disclosed in this Information Circular, management of the Corporation is not aware of any material interest of any director or nominee for director, or senior officer or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting.

### **Stock Option Plan and Securities Authorized for Issuance under Equity Compensation Plans**

The Corporation has adopted an amended and restated incentive stock option plan (the "**Option Plan**") on May 31, 2024. The board of directors of the Corporation may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation non-transferable options ("**Options**") to purchase Shares, provided that the number of Shares reserved for issuance under the Option Plan shall not exceed ten percent of the issued and outstanding Shares at any point in time. In addition, the number of Shares reserved for issuance to any one person shall not exceed five percent of the issued and outstanding Shares and the number of Shares reserved for issuance to consultants or employees conducting Investor Relations Activities (as such term is defined by the TSX Venture Exchange ("**TSXV**" or the "**Exchange**")) will not exceed two percent of the issued and outstanding Shares in any twelve-month period.

The Board determines the price per Share, the number of Shares which may be allotted to each director, officer, employee and consultant, the vesting terms and all other terms and conditions of the Option, subject to the rules of the TSXV. Options are exercisable for a period of up to ten years. If the holder ceases to be a director, officer, employee or consultant of the Corporation, such holder's Options will terminate on the earlier of: (a) the 365th day following the effective date such holder ceases to be a director, officer, employee or consultant of the Corporation; and (b) the expiry time of such Options. The Option price of Shares that are the subject of any Option shall be fixed by the Board when such Option is granted, provided

that such price shall not be less than the Discounted Market Price (as such term is defined in the policies of the TSXV) of the Shares, or such other price as may be determined under applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including TSXV rules and policies. If prior to the exercise of an Option, the holder ceases to be a director, officer, employee or consultant of the Corporation, or its subsidiary, the Option of the holder shall be limited to the number of shares purchasable by him/her immediately prior to the time of his/her cessation of office or employment and he/she will have no right to purchase any other shares.

The Option Plan is the Corporation's only equity compensation plan. The following table sets forth details with respect to the Corporation's equity compensation plans as of the date hereof:

<b>Plan Category<sup>(1)</sup></b>	<b>Number of securities to be issued upon exercise of outstanding options</b>	<b>Weighted average exercise price of outstanding options</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the second column)</b>
Equity compensation plans approved by securityholders	780,000	\$0.10	Nil.
Equity compensation plans not approved by securityholders	499,597	\$0.15	N/A
<b>Total</b>	<b>1,279,597</b>	<b>\$0.12</b>	<b>2<sup>(2)</sup></b>

Note:

- (1) The only equity compensation plan under which equity securities of the Corporation have been authorized for issuance is the Option Plan.
- (2) Based on the figure that is 10% of the issued and outstanding Common Shares that were available for issuance under the Option Plan as at the date hereof. As at such date there were 12,795,999 Common Shares issued and outstanding.

### **STATEMENT OF EXECUTIVE COMPENSATION**

The information contained below is provided as required under Form 51-102F6V for Venture Issuers, as such term is defined in National Instrument 51-102.

For the purpose of this Statement of Executive Compensation:

1. **"compensation securities"** includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Corporation or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Corporation or any of its subsidiaries (if any);
2. **"CPC Policy"** means TSXV Policy 2.4 – *Capital Pool Companies*;
3. **"NEO"** or **"named executive officer"** means:

- a. each individual who served as chief executive officer (“**CEO**”) of the Corporation, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
  - b. each individual who served as chief financial officer (“**CFO**”) of the Corporation, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
  - c. the most highly compensated executive officer of the Corporation or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year, and
  - d. each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;
4. “**plan**” includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;
  5. “**Qualifying Transaction**” means the acquisition by the Corporation of non-operated working interests in certain oil and gas assets on May 31, 2024, constituting the Corporation’s “Qualifying Transaction” for the purposes of TSXV policies; and
  6. “**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

### **Compensation Discussion and Analysis**

With respect to the grant of Options, the CEO of the Corporation recommends to the Board the individual equity incentive awards for each executive officer and director. The Board then takes these recommendations into consideration when making final decisions on compensation for those executive officers. The Board does not use formulas or benchmarks for each grant, but is restricted by the policies of the Exchange and the terms of the Option Plan in how many Options it may grant. Options under the Option Plan are awarded to executive officers by the Board based upon the level of responsibility and contribution of the individuals towards the Corporation’s goals and objectives. Previous grants of Options to a particular individual will be taken into account when considering future grants of Options to that particular individual.

### **Director and Named Executive Officer Compensation, excluding Compensation Securities**

Securities legislation requires the disclosure of compensation received by each director and NEO of the Corporation for the two most recently completed financial years. The Corporation’s NEOs are Terry Meek, Chief Executive Officer and director of the Corporation, and Jonah Nguyen, Chief Financial Officer and director of the Corporation.

As at the Corporation’s most recently completed financial year, the Corporation was a CPC and pursuant to the CPC Policy, no compensation of any kind was provided to the Corporation’s directors or officers, directly or indirectly, by any means, including payment of salary, other than compensation that may be provided by way of options to purchase Shares in the Corporation pursuant to the Option Plan.

Since closing of the Corporation’s Qualifying Transaction, the Corporation has paid a monthly salary of \$1,000 to each of Terry Meek, Chief Executive Officer of the Corporation and Jonah Nguyen, Chief Financial Officer of the Corporation. In addition, Jonah Nguyen was paid a special bonus of \$10,000 on June 15, 2024 for Mr. Nguyen’s contributions in connection with the Corporation’s Qualifying Transaction.

Otherwise, none of the Corporation's directors have received any salary, share-based awards, non-equity incentive plan compensation, pension value or other compensation other than Option-based awards from the Corporation.

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

Securities legislation requires the disclosure of compensation securities received or exercised during the Corporation's most recently completed financial year for the directors and NEOs of the Corporation.

On May 31, 2024, the Corporation granted an aggregate of 499,497 stock options to the directors, officers and certain consultants of the Corporation, each Option having an exercise price of \$0.15 and expiring on the date which is ten years from the grant date.

As at the date hereof the following compensation securities are held by the directors and NEOs of the Corporation:

<b>Name and Position</b>	<b>Type of Compensation Security</b>	<b>Number of Compensation Securities, Number of Underlying Securities, and Percentage of Class</b>	<b>Date of Issue or Grant</b>	<b>Issue, Conversion or Exercise Price (\$)</b>	<b>Closing Price of Security or Underlying Security on Date of Grant (\$)</b>	<b>Closing Price of Security or Underlying Security at Year End (\$)</b>	<b>Expiry Date</b>
Terence S. Meek, Director and CEO <sup>(1)</sup>	Options	227,371 (18% of Options granted on such date) <sup>(5)</sup>	June 15, 2021	\$0.10	N/A	\$0.03	Ten years from grant.
		71,371 (14% of Options granted on such date) <sup>(6)</sup>	May 31, 2024	\$0.15	\$0.03	\$0.03	Ten years from grant.
Jonah Nguyen, Director and CFO <sup>(2)</sup>	Options	227,371 (18% of Options granted on such date) <sup>(5)</sup>	June 15, 2021	\$0.10	N/A	\$0.03	Ten years from grant.
		71,371 (14% of Options granted on such date) <sup>(6)</sup>	May 31, 2024	\$0.15	\$0.03	\$0.03	Ten years from grant.
John F. Elliott, Director <sup>(3)</sup>	Options	227,371 (18% of Options granted on such date) <sup>(5)</sup>	June 15, 2021	\$0.10	N/A	\$0.03	Ten years from grant.
		71,371 (14% of Options granted on such date) <sup>(6)</sup>	May 31, 2024	\$0.15	\$0.03	\$0.03	Ten years from grant.
Gregory G. Turnbull, Director <sup>(4)</sup>	Options	227,371 (18% of Options granted on such date) <sup>(5)</sup>	June 15, 2021	\$0.10	N/A	\$0.03	Ten years from grant.
		71,371 (14% of Options granted on such date) <sup>(6)</sup>	May 31, 2024	\$0.15	\$0.03	\$0.03	Ten years from grant.

Notes:

- (1) As of December 31, 2023, Mr. Meek held 300,000 Shares and 156,000 Options.
- (2) As of December 31, 2023, Mr. Nguyen held nil Shares and 156,000 Options.
- (3) As of December 31, 2023, Mr. Elliott held 400,000 Shares and 156,000 Options.
- (4) As of December 31, 2023, Mr. Turnbull held 500,000 Shares and 156,000 Options.

- (5) Options were granted on June 15, 2021 in connection with the closing of the Corporation's initial public offering, pursuant to which Shares were issued at \$0.10 per Share.
- (6) Options were granted on May 31, 2024 in connection with the closing of the Corporation's Qualifying Transaction, pursuant to which Shares were issued at \$0.15 per Share.

**Exercise of Compensation Securities by Directors and NEOs**

There were no compensation securities exercised by a director or NEO of the Corporation during the fiscal year ended December 31, 2023.

**Employment, Consulting and Management Agreements**

The Corporation does not have any employment, consulting or management agreements or arrangements with any of the Corporation's current NEOs or directors.

**Pension Plan & Benefits**

The Corporation does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

**CORPORATE GOVERNANCE**

Pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, the Corporation is required to disclose its corporate governance practices as follows:

**Board of Directors**

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

The Board has determined that two of its four directors proposed for election at the Meeting are independent. An "independent" director" is a director who is independent of management and free from any interest any business or other relationship that could, or could reasonably be perceived to materially interfere with the director's ability to act in the best interests of the Corporation, other than interests arising from being a director or shareholder. Mr. Nguyen and Mr. Meek are not considered to be independent directors because they are officers of the Company. Mr. Elliott and Mr. Turnbull are considered independent directors.

The Board does not currently have an independent chair or a lead director. The independent directors have the opportunity to meet regularly in an in-camera session as part of board meetings and can otherwise communicate as they deem necessary. The Board believes that Mr. Elliott and Mr. Turnbull, together, are experienced, familiar with the expectations of independent directors, and capable of exercising independent judgment.

**Directorships**

No director currently holds a directorship in another reporting issuer, other than as indicated below:

Director	Other Reporting Issuer
Mr. Gregory G. Turnbull	SNDL Inc. Fiddlehead Resources Corp.

## **Orientation and Continuing Education**

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

Directors are encouraged to communicate with management, auditors and consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to keep themselves up to date with best director and corporate governance practices. The Corporation provides continuing education for its directors as the need arises. Directors have full access to the Corporation's records.

## **Ethical Business Conduct**

The Board expects management to operate the business of the Corporation in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Corporation's business plan and to meet performance goals and objectives. To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited size of the Corporation's operations and the small number of officers and employees allow the independent members of the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Corporation grows in size and scope, the implementation of a formal Code of Business Conduct and Ethics will become necessary.

## **Nomination of Directors**

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Corporation's size, its stage of development and the number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board evaluates its own effectiveness on an ad hoc basis. The current size of the Board is such that the entire Board takes responsibility for selecting new directors and assessing current directors. Proposed directors' credentials are reviewed in advance of a Board meeting with one or more members of the Board prior to the proposed director's nomination.

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 Corporation's size and current limited operations.

The skills and knowledge of the Board of Directors as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies in the oil & gas and business sectors. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Corporation's records. Reference is made to the table under the heading "Election of Directors" for a description of the current principal occupations of the Corporation's successor Board.

## **Compensation**

For a discussion on policies and practices by the Board to determine the compensation of the Corporation's directors and executive officers, see "*Statement of Executive Compensation – Compensation Discussion and Analysis*". The Corporation has not established a compensation committee.

### **Other Board Committees**

The Board has no other committees other than the audit committee (the "**Audit Committee**"). As the directors are actively involved in the operations of the Corporation and the size of the Corporation's operations does not warrant a larger board of directors, the Board has determined that additional committees (other than the Audit Committee) are not necessary at this stage of the Corporation's development.

### **Assessments**

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and the Audit Committee. The Board does not perform a formalized assessment of directors, the Board and committees.

## **AUDIT COMMITTEE**

The Audit Committee assists the Board in fulfilling its responsibilities for oversight and supervision of financial and accounting matters. The committee supervises the adequacy of internal accounting controls and financial reporting practices and procedures and the quality and integrity of audited and unaudited financial statements, including through discussions with external auditors. The committee reviews business plans and operating and capital budgets. The committee is responsible for ensuring efficient and effective assessment of management of risk throughout our organization. The Audit Committee complies with all requirements under applicable securities legislation and the Exchange.

### **Audit Committee Charter**

The Audit Committee operates under a written charter that sets out its responsibilities and composition requirements. A copy of this charter is attached as Schedule "A" to this Information Circular.

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

The majority of the members of the Audit Committee meet the independence criteria set out in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). The information set out under the heading "Election of Directors", below, sets out the relevant education and experience of each director relevant to the performance of his duties as a member of the Audit Committee.

Based on the above information provided by each director under the heading "Election of Directors", below, all members of the Audit Committee are "financially literate" as that term is defined in NI 52-110.

### **Audit Committee Oversight**

At no time since the incorporation of the Corporation was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

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

The Audit Committee reviews and approves all audit and non-audit services performed by our auditors in advance of services being performed.

## **Auditor Fees**

The following table sets forth the fees billed or accrued for various services provided by RSM Canada LLP and its affiliates to the Corporation during the Corporation's last fiscal year:

Services	Fees Accrued During the Year Ended December 31, 2023
Audit Fees <sup>(1)</sup>	\$15,729.00
Statutory Audit Fees <sup>(2)</sup>	-
Audit-Related Fees <sup>(3)</sup>	-
Tax Compliance Fees <sup>(4)</sup>	\$3,307.51
Other Tax Fees <sup>(5)</sup>	-
Total	\$19,036.51

Notes:

- (1) Audit Fees relate to professional services rendered for audits of the Corporation's annual consolidated financial statements, reviews of our quarterly interim consolidated financial statements for the year, and regulatory filings.
- (2) Statutory Audit Fees relate to statutory audits and reviews of subsidiaries in foreign jurisdictions.
- (3) Audit-Related Fees relate to certification/attestation services.
- (4) Tax Compliance Fees relate principally to fees associated with assistance in respect of tax compliance requirements in various jurisdictions.
- (5) Other Tax Fees relate to advice, including services involving and related to transfer pricing, inter-jurisdictional matters, planning and due diligence matters related to business acquisitions, divestitures, and financing transactions.

The amounts indicated above are exclusive of related taxes.

## **Assessments**

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees.

## **ANNUAL GENERAL MEETING BUSINESS**

### **Financial Statements**

Financial information of the Corporation is provided in the Corporation's audited consolidated financial statements for the financial years ending December 31, 2022 and December 31, 2023. The Board engaged RSM Canada LLP to complete audits of the Corporation's consolidated financial statements for the years ended December 31, 2022 and December 31, 2023. An additional copy of these documents may be obtained by a registered security-holder by contacting the Corporation at c/o Stikeman Elliott LLP, Suite 4200, Bankers Hall West, 888 – 3<sup>rd</sup> Street SW, Calgary, AB, T2P 5C5, Attention: Corporate Secretary.

### **Fixing Number of Directors**

At the Meeting it is proposed that the number of directors to be elected at the Meeting to hold office until the next annual meeting or until their successors are elected or appointed, subject to the Articles and By-Laws of the Corporation, be set at four.

There are presently four directors of the Corporation. **Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form FOR the resolution setting the number of directors to be elected at the meeting at four.**

## Election of Directors

Action is to be taken at the Meeting with respect to the election of directors. The board of directors (the “**Board**”) presently consists of four members. It is proposed that the Board will consist of four members and the persons mentioned below will be nominated at the Meeting.

**It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR the election of the nominees specified below as directors of the Corporation. If, prior to the Meeting, any vacancies occur in the slate of proposed nominees herein submitted, the persons named in the enclosed form of proxy intend to vote FOR the election of any substitute nominee or nominees recommended by management of the Corporation and FOR the remaining proposed nominees. Management has been informed that each of the proposed nominees listed below is willing to serve as a director if elected.**

The term of office for each director is from the date of the meeting at which he or she is elected until the annual meeting next following or until his or her successor is elected or appointed. The following table states the names of all persons proposed to be nominated for election as directors, the position or office now held by them, if applicable, their principal occupation or employment, the date on which they became directors of the Corporation and the number of shares in the capital of the Corporation beneficially owned directly or indirectly or over which they exercise control or direction.

<b>Nominees as Directors</b>	<b>Position Presently Held</b>	<b>Principal Occupation Over the Past 5 Years</b>	<b>Director Since</b>	<b>Shares Beneficially Owned or Controlled as of the date hereof</b>
John F. Elliott, (1)(2) Calgary, Alberta	Director	President, Scorpion Advisors Ltd. (February 2018 – Present); Director, DIRT Environmental Technologies Ltd. (April 2018 – June 2020); Director and CEO, Pure Technologies Ltd. (May 2014 – January 2018); President, Pure Technologies Ltd. (February 2009 – January 2018).	January 18, 2021	400,000
Terence S. Meek, <sup>(1)</sup> Calgary, Alberta	Director and Chief Executive Officer	Vice President, BDJ Energy Inc. (September 2020 - present).	January 18, 2021	300,000
Jonah Nguyen Calgary, Alberta	Director and Chief Financial Officer	CFO, Highpoint Developments (November 2022 – present); President and CEO; Director of New Ventures, CES Energy Solutions Corp. (May 2013 – April 2017).	April 28, 2022	100,000
Gregory G. Turnbull, <sup>(1)(2)</sup> Calgary, Alberta	Director	Chair, Alberta Health Services (2021-2021); Director, Calgary Health Foundation (September 2017 – December 2021); Director, SNDL, Inc. (October 2018 – Present); Senior Partner, McCarthy Tétrault LLP (July 2002 –December 2020); Director, Storm Resources Ltd. (August 2010 – December 2021); Director, Target Capital Inc. (December 2017 – September 2020); Director, Oyster Oil and Gas Ltd. (July 2014 – March 2019).	January 18, 2021	505,000

Notes:

- (1) Indicates member of the Audit Committee of the Corporation.
- (2) Independent director.

## Corporate Cease Trade Orders or Bankruptcies

Other than as set forth below, no proposed director

- (a) is at the date of this Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, while that person was acting in that capacity:
  - (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than thirty (30) consecutive days; or
  - (ii) was subject to an event that resulted, after the director, chief executive officer or chief financial officer ceased to be a director, chief executive officer or chief financial officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than thirty (30) consecutive days;
- (b) is at the date of this Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Mr. Turnbull served as a Director of Sonde Resources Corp. ("**Sonde**"), a former TSXV listed issuer, from September 2009 until his resignation on March 27, 2014. Sonde filed for bankruptcy on February 2, 2015, after Mr. Turnbull had left the board of directors. The filing was made pursuant to the provisions of the Bankruptcy and Insolvency Act (Canada). FTI Consulting Canada Inc. was appointed as Trustee in Bankruptcy.

Mr. Meek served as President and CEO of Point Loma Resources Ltd. (formerly, Point Loma Energy Ltd.) ("**Point Loma**"), which was an issuer that was listed on the TSXV. On June 5, 2020, the Alberta Securities Commission issued a cease trade order against Point Loma for failing to file audited annual financial statements, annual management's discussion and analysis and certification of the annual filings for the year ended 31 December 2019. The cease trade order is still in effect.

Mr. Meek served as President and CEO of Point Loma, from September 2014 until his resignation on May 21, 2020. On June 8, 2020, the Court of King's Bench of Alberta granted an application by the Orphan Well Association to appoint BDO Canada Limited (the "**Receiver**") to act as receiver and manager over the assets, undertakings and property of Point Loma, excepting any and all assets, undertakings and property of Point Loma located in the Province of Saskatchewan. The Receiver retained Sproul Asset Management Limited to assist with the day-to-day management and operations of Point Loma's assets. The Receiver engaged Sayer Energy Advisors to administer a sales process in respect of Point Loma's oil and gas interests.

To the knowledge of management of the Corporation, no proposed director of the Corporation has: (i) 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, other

than penalties for late filing of insider reports; or (ii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

### **Appointment of Auditors**

The Board has resolved to propose to the Shareholders that the Shareholders appoint Deloitte LLP (“**Deloitte**”) as auditors of the Corporation at a remuneration to be fixed by the directors or the Corporation for the ensuing year. Deloitte has been the independent auditor of the Corporation since the resignation of RSM Canada LLP effective as of April 6, 2024 in connection with the Corporation’s Qualifying Transaction. The resignation of RSM Canada LLP and the appointment of Deloitte as the Corporation’s auditor have been considered and approved by the Audit Committee and the Board. The Corporation is exempt from the change of auditor requirements set out in Section 4.11 of National Instrument 51-102 – *Continuous Disclosure Requirements* (“**NI 51-102**”) pursuant to Section 4.11(3) of NI 51-102.

**Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form FOR the resolution appointing Deloitte as auditors of the Corporation for the ensuing year.**

### **Approval of Option Plan**

Pursuant to applicable securities laws and Exchange policies, a listed corporation is required to obtain the approval of its shareholders for a “rolling” stock option plan at each annual meeting of shareholders. The Option Plan is a “rolling” stock option plan as the aggregate number of Common Shares reserved for issuance upon the exercise of the options pursuant to the Option Plan is such number of Common Shares as is equal to 10% of the total number of Common Shares issued and outstanding from time to time. The full text of the Option Plan is provided in Schedule “B” to this Information Circular.

The complete text of the ordinary resolution which management intends to place before the Meeting re-approving and confirming the Plan is as follows (the “**Option Plan Resolution**”):

“BE IT HEREBY RESOLVED as an ordinary resolution of the Corporation that:

1. the Corporation’s stock option plan (the “**Plan**”), substantially in the form attached to the Information Circular of the Corporation, be and it is hereby re-approved and confirmed, including the reservation for issuance under the Plan at any time of a maximum of 10% of the then issued and outstanding shares of the Corporation, in accordance with the policies of the Exchange;
2. any director or officer be and is hereby authorized to make any and all additions, deletions and modifications to the Plan as may be necessary or advisable to give effect to this ordinary resolution or as may be required by applicable regulatory authorities;
3. any director or officer be and is hereby authorized, to execute and deliver all such other deeds, documents and other writings and perform such other acts as may be necessary or desirable to give effect to this resolution; and
4. notwithstanding approval of the Shareholders of the Corporation as herein provided, the Board may, in its sole discretion, revoke this resolution before it is acted upon without further approval of the Shareholders of the Corporation.”

**Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form FOR the Option Plan Resolution.**

### **OTHER BUSINESS**

Management is not aware of any other business to come before the Meeting other than as set forth in the Notice of Meeting. If any other business properly comes before the Meeting, it is the intention of the persons

named in the form of proxy to vote the Shares represented thereby in accordance with their best judgment on such matter.

#### **ADDITIONAL INFORMATION**

Additional information with respect to the Corporation, including copies of its financial statements and management discussion and analysis, is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

**Schedule "A"**  
**Audit Committee Charter**

**(See attached.)**

## SLEEPING GIANT CAPITAL CORP.

### AUDIT COMMITTEE CHARTER

#### 1. Mandate

The primary function of the Audit Committee is to assist Sleeping Giant Capital Corp.'s (the "**Company**") board of directors (the "**Board of Directors**") in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting, and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are to:

- (a) serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;
- (b) to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for any such advisors;
- (c) review and appraise the performance of the Company's external auditors; and
- (d) provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

#### 2. Composition

The Audit Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

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

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

### 3. Meetings

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

### 4. Responsibilities and Duties

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

#### ***Documents/Reports Review***

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

#### ***External Auditors***

- (c) review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Audit Committee as representatives of the shareholders of the Company;
- (d) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- (e) take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors;
- (f) recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- (g) at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- (i) review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements;
- (j) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than 5% of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;

- (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
- (iii) such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee;

and such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee, provided that the pre-approval of the non-audit services is presented to the Audit Committee at its first scheduled meeting following such approval;

### ***Financial Reporting Processes***

- (k) in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;
- (l) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- (m) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;
- (n) review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments;
- (o) following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (p) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- (q) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (r) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (s) review certification process;
- (t) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and

### ***Other***

- (u) review any related-party transactions.

**Schedule "B"**  
**Option Plan**

**(See attached.)**

**SLEEPING GIANT CAPITAL CORP.**

**AMENDED AND RESTATED STOCK OPTION PLAN**

**1. Purpose of the Plan**

The purpose of the Plan is to provide certain Optionees with an opportunity to purchase Common Shares and to benefit from the appreciation thereof. This will provide an increased incentive for Optionees to contribute to the future success and prosperity of the Corporation, thus enhancing the value of the Common Shares for the benefit of all the shareholders and increasing the ability of the Corporation and its Subsidiaries to attract and retain individuals of exceptional skill.

**2. Definitions And Interpretation**

When used in the Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to them as follows:

- (a) **“Black Out Period”** means any period during which a policy of the Corporation prevents an Insider from trading in the Common Shares.
- (b) **“Board of Directors”** means the Board of Directors of the Corporation.
- (c) **“Change of Control”** means any of the following:
  - (i) the sale by the Corporation of all of the assets of the Corporation or substantially all of the assets of the Corporation;
  - (ii) the acquisition by any person (whether from the Corporation or from any other person), of Common Shares or other securities of the Corporation having rights of purchase, conversion or exchange into Common Shares which together with securities of the Corporation beneficially owned, controlled or directed by such person, together with persons acting jointly or in concert (as those terms are defined by the *Securities Act* (Alberta)) with such person, exceeds more than 50% of the issued and outstanding Common Shares;
  - (iii) the completion by the Corporation of an amalgamation, arrangement, merger or other analogous transaction with another entity pursuant to which the shareholders of the Corporation immediately thereafter do not own shares of the successor or continuing entity, which would entitle them to cast more than 50% of the votes attaching to such shares of the successor or continuing entity;
  - (iv) the election at a meeting of the Corporation’s shareholders of that number of persons which would represent a majority of the Board as directors of the Corporation, who are not included in the slate for election as directors proposed to the Corporation’s shareholders by management of the Corporation;
  - (v) the completion of any transaction or the first of a series of transactions which would have the same or similar effect as any transaction or series of transactions referred to in subsections (i), (ii), (iii) or (iv) referred to above; or
  - (vi) a determination by the Board that there has been a change, whether by way of a change in the holding of the Common Shares, in the ownership of the Corporation’s assets or by any other means, as a result of which any person or group of persons acting jointly or in concert is in a position to exercise effective control of the Corporation.

- (d) **"Common Shares"** means common shares in the capital of the Corporation and any shares or securities of the Corporation into which such common shares are changed, converted, subdivided, consolidated or reclassified.
- (e) **"Consultant"** means a technical consultant of the Corporation.
- (f) **"Corporation"** means Sleeping Giant Capital Corp. and any successor corporation and any reference herein to action by the Corporation means action by or under the authority of its Board of Directors or a duly empowered committee appointed by the Board of Directors.
- (g) **"CPC Option"** means an Option granted to an Optionee prior to the Completion of the Qualifying Transaction.
- (h) **"Exchange"** means the TSX Venture Exchange Inc. or any other stock exchange on which the Common Shares are listed.
- (i) **"Exchange Policies"** means, collectively, Policy 4.4 of the Exchange entitled "Security Based Compensation", Policy 2.4 of the Exchange entitled "Capital Pool Companies", Policy 1.1 of the Exchange entitled "Interpretation" and any other policies set forth in the Corporate Finance Manual of the Exchange applicable to security based compensation.
- (j) **"Expiry Date"** has the meaning ascribed thereto in Section 9.
- (k) **"Option"** means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Common Shares from treasury at a price determined by the Board of Directors.
- (l) **"Option Period"** means the period determined by the Board of Directors during which an Optionee may exercise an Option not to exceed the maximum period permitted by the Exchange, which maximum period is 10 years from the date the Option is granted.
- (m) **"Optionee"** means:
  - (i) prior to the Completion of the Qualifying Transaction: a person who is a *bona fide* director or senior officer of the Corporation, and, where permitted by Securities Laws, a Consultant whose particular industry expertise is required to evaluate certain proposed Qualifying Transactions; a corporation wholly-owned by such a director, senior officer or Consultant; or an Eligible Charitable Organization; and
  - (ii) from the Completion of the Qualifying Transaction: a person who is a *bona fide* director, officer, employee or Consultant of the Corporation or a subsidiary of the Corporation; a corporation wholly-owned by such a director, officer, employee or Consultant of the Corporation or a subsidiary of the Corporation; or any other person who may be granted an option pursuant to the requirements of the Exchange, who is granted an Option pursuant to the Plan.
- (n) **"Plan"** shall mean the Corporation's incentive stock option plan as embodied herein and as from time to time amended.

Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Exchange Policies, including without limitation "Completion of the Qualifying Transaction", "CPC Escrow Agreement", "Discounted Market Price", "Eligible Charitable Organization", "Employee", "Insider", "Investor Relations Activities", "Investor Relations Service Provider", "Management Company Employee",

“Qualifying Transaction”, “Securities Laws”, “Security Based Compensation” “Security Based Compensation Plan” and “Seed Shares”.

Any reference in the Plan to gender includes all genders and words importing the singular number only will include the plural and vice versa.

In the Plan: (a) the words “including” and “includes” mean “including (or includes) without limitation”, and the phrase “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of”; (b) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding”; (c) the words “hereunder”, “herein” and “hereof” refer to provisions of the Plan, and, unless expressly provided otherwise, references to Sections herein refer to sections or subsections of the Plan; and (d) the word “person” includes individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and governmental authorities.

### **3. Administration**

The Plan shall be administered by the Board of Directors. The Board of Directors shall have full and final discretion to interpret the provisions of the Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. All decisions and interpretations made by the Board of Directors shall be binding and conclusive upon the Corporation and on all persons eligible to participate in the Plan, subject to the approval of the Exchange (including shareholder approval if required by the Exchange). Notwithstanding the foregoing or any other provision contained herein, the Board of Directors shall have the right to delegate the administration and operation of the Plan to a special committee of directors appointed from time to time by the Board of Directors, in which case all references herein to the Board of Directors shall be deemed to refer to such committee.

### **4. Eligibility**

The Board of Directors may at any time and from time to time designate those Optionees who are to be granted an Option pursuant to the Plan and grant an Option to such Optionee. Subject to Exchange Policies and the limitations contained herein, the Board of Directors is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. No Option shall be granted to any person except upon the approval of the Board of Directors. A person who has been granted an Option may, if he is otherwise eligible and if permitted by Exchange Policies, be granted an additional Option or Options if the Board of Directors shall so determine. Pursuant to Exchange Policies, the Corporation shall represent that the Optionee is a *bona fide* Employee, Consultant or Management Company Employee in respect of Options granted to such Optionee.

### **5. Participation**

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Optionee’s relationship or employment with the Corporation.

Notwithstanding any express or implied term of the Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any Optionee any right with respect to continuance as a director, officer, employee or Consultant of the Corporation or any subsidiary of the Corporation.

Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director or officer of, or a Consultant to, the Corporation or any of its subsidiaries, where the Optionee at the same time becomes or continues to be a director, officer or employee of, or a Consultant to, the Corporation or any of its subsidiaries.

No Optionee shall have any of the rights of a shareholder of the Corporation in respect of Common Shares issuable on exercise of an Option until such Common Shares shall have been paid for in full and issued by the Corporation on exercise of the Option, pursuant to the Plan.

## 6. Common Shares Subject to Options

The number of authorized but unissued Common Shares that may be issued upon the exercise of Options granted under the Plan at any time plus the number of Common Shares reserved for issuance under outstanding incentive stock options already granted by the Corporation shall not exceed 10% of the issued and outstanding Common Shares at any point in time, on a non-diluted basis, and such number shall increase or decrease as the number of issued and outstanding Common Shares changes.

Subject to Exchange Policies, the aggregate number of Options granted to any one Optionee in a 12 month period (or, in the case of CPC Options, at any time prior to the Completion of the Qualifying Transaction) shall not exceed 5% of the issued and outstanding Common Shares determined at the date of grant, or 2% of the issued and outstanding Common Shares determined at the date of grant in the case of an Optionee who is a Consultant. In the case of CPC Options and notwithstanding the preceding sentence, the aggregate number of Options granted to *all* Optionees who are Consultants at any time prior to the Completion of the Qualifying Transaction shall not exceed 2% of the issued and outstanding Common Shares determined at the date of grant, and 1% of the issued and outstanding Common Shares determined at the date of grant in the case of *all* Optionees who are Eligible Charitable Organizations. In addition, the aggregate number of Options granted to all Optionees retained to provide Investor Relations Activities must not exceed 2% of the issued and outstanding Common Shares in any 12 month period determined at the date of grant (or, in the case of CPC Options, no Options shall be granted to Optionees retained to provide Investor Relations Activities, promotional or market-making services prior to the Completion of the Qualifying Transaction).

Subject to Exchange Policies, the maximum aggregate number of Common Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12-month period to Insiders (as a group) must not exceed 10% of the Common Shares at any point in time, calculated as at the date any Security Based Compensation is granted or issued to any Insider.

Subject to the Exchange Policies, Options granted to any Investor Relations Service Provider must vest in stages over a period of not less than 12 months such that: (i) no more than 1/4 of the Options vest no sooner than three months after the Options were granted; (ii) no more than another 1/4 of the Options vest no sooner than six months after the Options were granted; (iii) no more than another 1/4 of the Options vest no sooner than nine months after the Options were granted; (iv) and the remainder of the Options vest no sooner than 12 months after the Options were granted.

Appropriate adjustments shall be made as set forth in Section 15 hereof in both the number of Common Shares covered by individual grants and the total number of Common Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Corporation.

If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unexercised Common Shares subject thereto shall again be available for the purpose of the Plan.

No fractional shares may be purchased or issued hereunder.

If the Expiry Date occurs during or within 10 days after the last day of a Black Out Period, the Expiry Date for the Option will be the last day of such 10 day period.

Each Option granted by the Corporation prior to the date of the approval of the Plan by the shareholders of the Corporation, including Options granted under previously approved stock option plans

of the Corporation, be and are continued under and shall be subject to the terms of the Plan after the Plan has been approved by the shareholders of the Corporation.

#### **7. Option Agreement**

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to option, the exercise price and any other terms and conditions approved by the Board of Directors, all in accordance with the provisions of the Plan (herein referred to as the “**Stock Option Agreement**”). The Stock Option Agreement will be in such form as the Board of Directors may from time to time approve, and may contain such terms as may be considered necessary to ensure that the Option complies with any provisions respecting options set out in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from time to time be a resident or citizen, the rules of the Exchange, and the rules and regulations of any other regulatory body having jurisdiction over the Corporation.

#### **8. Escrow Agreement**

No CPC Option may be granted unless the Optionee first enters into a CPC Escrow Agreement agreeing to deposit the CPC Option, and the Common Shares acquired pursuant to the exercise of such CPC Option, into escrow to be released in accordance with such CPC Escrow Agreement and the Exchange Policies.

#### **9. Option Period and Exercise Price**

Each Option and all rights thereunder shall be expressed to expire on the date set out in the respective Stock Option Agreement, which date shall be no later than the expiry of the Option Period (the “**Expiry Date**”), subject to earlier termination as provided in Sections 11, 12 and 17 hereof.

Subject to Exchange Policies and any limitations imposed by any other regulatory authority having jurisdiction over the Corporation, the exercise price of an Option granted under the Plan shall be as determined by the Board of Directors when such Option is granted and shall be an amount at least equal to the Discounted Market Price of the Common Shares (or, in the case of Options granted prior to the Common Shares being listed and posted for trading on the Exchange or any other stock exchange in Canada, an amount at least equal to the lowest price at which Seed Shares were issued by the Corporation). In the event that the Corporation proposes to reduce the exercise price of Options granted to an Optionee who is an Insider of the Corporation, at the time of the proposed amendment, such amendment shall not be effective until disinterested shareholder approval has been obtained in respect of the reduction of the exercise price or the extension of the term, if required by the rules and policies of the Exchange then in effect.

#### **10. Exercise of Options**

An Optionee shall be entitled to exercise an Option granted to him at any time prior to the Expiry Date, subject to Sections 11, 12 and 17 hereof and to vesting limitations which may be imposed by the Board of Directors at the time such Option is granted as set out in the Stock Option Agreement. Subject to Exchange Policies, the Board of Directors may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

The exercise of any Option, or any portion thereof, will be conditional upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Common Shares in respect of which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Common Shares with respect to the Option, or any portion thereof, being exercised.

#### **11. Ceasing to be a Director, Officer, Employee or Consultant**

If an Optionee ceases to be a director, officer, employee or Consultant of the Corporation or its subsidiaries for any reason other than death, any Options granted to such Optionee will terminate on the 365<sup>th</sup> day following the effective date such Optionee ceases to be a director, officer, employee or Consultant of the Corporation or its subsidiaries or the expiry time of such Option, whichever occurs first, and shall be of no further force or effect whatsoever as to the Common Shares in respect of which an Option has not previously been exercised; provided, however, such Options may be exercised by an Optionee who has ceased to be a director, officer, employee or Consultant only if the Optionee was entitled to exercise the Options at the date of such cessation pursuant to the terms of the Optionee's Stock Option Agreement.

## **12. Death of Optionee**

In the event of the death of an Optionee, the Option previously granted to him shall be exercisable within one year following the date of the death of the Optionee or prior to the Expiry Date, whichever is earlier, and then only:

- (a) by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative; and
- (b) to the extent that the Optionee was entitled to exercise the Option at the date of the Optionee's death pursuant to the terms of the Optionee's Stock Option Agreement.

## **13. Optionee's Rights Not Transferable**

No right or interest of any Optionee in or under the Plan is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except pursuant to Section 12 hereof, subject to the requirements of the Exchange, or as otherwise authorized by the Exchange.

Subject to the foregoing, the terms of the Plan shall bind the Corporation and its successors and assigns, and each Optionee and his heirs, executors, administrators and personal representatives.

## **14. Takeover or Change of Control**

The Corporation shall have the power, in the event of a Change of Control, to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including without limitation, to amend any Stock Option Agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Corporation shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Corporation prior to the completion of such transaction.

## **15. Adjustments**

In the event of:

- (a) any subdivision, redivision or change of the Common Shares at any time during the term of the Option into a greater number of Common Shares, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Common Shares as would have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;
- (b) any consolidation or change of the Common Shares at any time during the term of the Option into a lesser number of Common Shares, the number of Common Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Common Shares as would have resulted from such consolidation or

change if the exercise of the Option had been made prior to the date of such consolidation or change; or

- (c) any reclassification of the Common Shares at any time outstanding or change of the Common Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or in case of any transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the term of the Option, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereon he had been the holder of the number of Common Shares to which he was entitled upon exercise of the Option.

Adjustment shall be made successively whenever any event referred to in this Section shall occur. Appropriate adjustments to: (a) the number of Common Shares subject to the Plan and, as regards to Options granted or to be granted, in the number of Common Shares optioned; and (b) the exercise price, shall be made by the Board of Directors to give effect to adjustments in the number of Common Shares resulting from any of the above mentioned subdivisions, consolidations or reclassifications of the Common Shares, the payment of distributions or dividends by the Corporation (other than dividends in the ordinary course) or other relevant changes in the authorized or issued capital of the Corporation, which changes occur subsequent to the approval of the Plan by the Board of Directors.

Any adjustment, other than in connection with a security consolidation or security split, to Security Based Compensation granted or issued under a Security Based Compensation Plan is subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

**16. Costs**

The Corporation shall pay all costs of administering the Plan.

**17. Termination and Amendment**

- (a) The Board of Directors may amend or terminate the Plan or any outstanding Option granted hereunder at any time without the approval of the shareholders of the Corporation or any Optionee whose Option is amended or terminated, in order to conform the Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or any other regulatory authority having jurisdiction over the Corporation, whether or not such amendment or termination would affect any accrued rights, subject to the approval of the Exchange or such other regulatory authority.
- (b) The Board of Directors may amend or terminate the Plan or any outstanding Option granted hereunder for any reason other than the reasons set forth in Section 17(a) hereof, subject to the approval of the Exchange or any other regulatory authority having jurisdiction over the Corporation, and the approval of the shareholders of the Corporation if required by the Exchange or such other regulatory authority. Subject to Exchange Policies, disinterested shareholder approval will be obtained for any reduction in the exercise price of an Option if the Optionee is an Insider of the Corporation at the time of the proposed amendment. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights which have accrued to him prior to the effective date thereof.

- (c) The Plan, and any amendments thereto, shall be subject to acceptance and approval by the Exchange. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.

18. **Applicable Law**

This Plan shall be governed by, administered and construed in accordance with the laws of Alberta applicable therein.

19. **Effective Date**

This Plan shall become effective as of and from, and the effective date of the Plan shall be, the date of shareholder approval for the Plan, if such approval is required by the Exchange, subject to final Exchange approval for the Plan, or the date of final Exchange approval for the Plan if the Exchange does not require shareholder approval for the Plan.

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