

EGUANA TECHNOLOGIES INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

October 26, 2022

The annual general and special meeting (the "**Meeting**") of holders (the "**Shareholders**") of common shares (the "**Common Shares**" or the "**Voting Securities**") and first preferred shares, series 8 (the "**Series 8 Preferred Shares**") in the capital of Eguana Technologies Inc. (the "**Corporation**") will be held on October 26, 2022 at 10:00 AM MDT at the Eguana Technologies Inc. Calgary office, 3636 7th Street S.E. Calgary, Alberta T2G 2Y8 for the following purposes:

1. to receive the audited financial statements for the financial year ended September 30, 2021 and the report of the auditor thereon, and the unaudited financial statements of the Corporation for the interim period ended June 30, 2022. See "Presentation of Financial Statements" in the Circular (as defined herein);
2. to set the number of directors at six (6). See "Fix Number of Directors" in the Circular;
3. to elect directors of the Corporation to hold office until the next annual meeting of the Shareholders or until their successors are elected or appointed. See "Election of Directors" in the Circular;
4. to appoint the auditor of the Corporation and authorize the directors to fix the auditors' remuneration. See "Appointment of Auditor" in the Circular;
5. to consider and, if deemed advisable, to pass, with or without variation, a special resolution authorizing and approving an amendment to the Corporation's articles to effect a consolidation of the Corporation's issued and outstanding Common Shares at a ratio to be determined by the directors of the Corporation between the range of 3:1 and 10:1, as more particularly described in the Circular. If approved, shareholder approval would be effective for 12 months, and the consolidation would be implemented, if at all, only upon a determination by the directors of the Corporation that it is in the best interests of the Corporation at such time. See "Share Consolidation" in the Circular; and
6. to transact such other business as may properly be brought before the Meeting.

Shareholders are referred to the accompanying management information circular dated September 9, 2022 (the "**Circular**") of the Corporation for more detailed information with respect to the matters to be considered at the Meeting.

The board of directors of the Corporation has fixed the close of business on September 9, 2022 as the record date for determining holders of the Voting Securities who are entitled to vote at the Meeting.

The Corporation has elected to use the "notice-and-access" ("**Notice-and-Access**") provisions under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* for the Meeting in respect of the mailing of the Meeting materials to beneficial Shareholders. Registered shareholders will receive a full copy of the Meeting materials, including a copy of the Circular. Notice-and-Access is a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials required to be physically mailed to shareholders by allowing a reporting issuer to post its proxy-related meeting materials on a website. Shareholders have the right to request hard copies of any proxy-related materials posted online by the Corporation under Notice-and-Access. Meeting materials, including the Circular, will be available under the Corporation's profile at www.sedar.com and also at <https://docs.tsxtrust.com/2076>. The Corporation will provide to any shareholder, upon request to TSX Trust Company ("**TSX Trust**"), the Corporation's transfer agent, a

paper copy of the Circular and the audited financial statements of the Corporation for the financial year ended September 30, 2021 or management's discussion and analysis of the Company filed with the applicable securities regulatory authorities during the past year. In order to allow reasonable time for requesting shareholders to receive and review a paper copy of the Circular or other document prior to the proxy deadline (as specified below), any shareholder who wishes to receive paper copies of any of the Meeting materials should contact TSX Trust by October 24, 2022 by calling toll-free at 1-800-600-5869 or direct and entering in your control number as indicated on your voting instruction form or form of proxy. Shareholders are reminded to review the Circular prior to the voting.

In order to streamline the Meeting process, the Corporation encourages Shareholders to vote in advance of the Meeting using the voting instruction form or the form of proxy mailed to them with the Meeting materials and submitting them to TSX Trust Company, 301 - 100 Adelaide Street West, Toronto, Ontario M5H 4H1 or by fax 416-595-9593 or by voting online: www.voteproxyonline.com, by no later than **10:00 AM MDT on Monday, October 24, 2022**, the cut-off time for deposit of proxies prior to the Meeting. Shareholders wishing to attend the Meeting are encouraged to do so by logging into the webcast or calling the number below, and instructions will be provided as to how Shareholders entitled to vote at the Meeting may participate and vote.

Holders of the Voting Securities who are unable to be present at the Meeting are requested to date, sign, and return the accompanying form of proxy to TSX Trust Company, 301 - 100 Adelaide Street West, Toronto, Ontario M5H 4H1 or by fax 416-595-9593 or by voting online: www.voteproxyonline.com, prior to 10:00 AM MDT on October 24, 2022, being at least 48 hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment. Votes cast electronically or by telephone are in all respects equivalent to, and will be treated in the exact same manner as, votes cast via a paper form of proxy. Further details on the electronic voting process are provided in the form of proxy. Non-registered Shareholders who receive these materials through their broker or other intermediary should complete and send the voting instruction form in accordance with the instructions provided by their broker or intermediary. To be effective, a proxy must be received by TSX Trust not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting, or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

Dated the 9th day of September, 2022

**BY ORDER OF THE BOARD OF DIRECTORS OF
EGUANA TECHNOLOGIES INC.**

"George W. Powlick"

George W. Powlick, Chairman of the Board of
Directors

EGUANA TECHNOLOGIES INC.

Management Information Circular

dated September 9, 2022

for the Annual General and Special Meeting to be held on October 26, 2022

General

This management information circular (the "**Circular**") is furnished in connection with the solicitation of proxies by the management of Eguana Technologies Inc. (the "**Corporation**") for use at the annual general and special meeting (the "**Meeting**") of holders of common shares (the "**Common Shares**" or the "**Voting Securities**") and first preferred shares, series 8 (the "**Series 8 Preferred Shares**") in the capital of the Corporation (each a "**Shareholder**" and collectively, the "**Shareholders**") to be held on October 26, 2022 at 10:00 AM MDT at the Eguana Technologies Inc. Calgary office, 3636 7th Street S.E. Calgary, Alberta T2G 2Y8 for the purposes set out in the accompanying notice of the Meeting (the "**Notice**").

The record date for the purpose of determining Shareholders is September 9, 2022 (the "**Record Date**"). Shareholders of record on that date are entitled to receive notice of and attend the Meeting and vote their Voting Securities, except to the extent that any registered Shareholders have transferred the ownership of any Voting Securities subsequent to the Record Date and the transferee of those Voting Securities produces properly endorsed share certificates, or otherwise establishes that he or she owns the Voting Securities and demands, not later than 10 calendar days before the Meeting, that his or her name be included on the Shareholders list, in which case, the transferee will be entitled to vote his or her Voting Securities at the Meeting.

SOLICITATION OF PROXIES

The enclosed proxy is being solicited by Management for use at the Meeting. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other means of communication by the officers, directors and employees of the Corporation, none of whom will be specifically remunerated therefor. The cost of any such solicitation will be borne by the Corporation.

There is enclosed with this Circular a proxy form for use at the Meeting, and a supplementary mailing list return card to be used to request inclusion on the Corporation's supplementary mailing list for its annual and interim financial statements. Each registered Shareholder ("**Registered Shareholder**") of record at the close of business on September 9, 2022 is entitled to attend the Meeting and vote either in person or by proxy.

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with intermediaries (collectively, the "**Intermediaries**", or individually, an "**Intermediary**") or their nominees (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered Registered Retirement Savings Plans, Registered Retirement Income Funds, Registered Education Savings Plans and similar plans) to forward proxy-related materials to the Objecting Beneficial Shareholders (as defined below) whose Common Shares are held by or in custody of such Intermediaries. Such Intermediaries are required to forward such documents to Objecting Beneficial Shareholders unless an Objecting Beneficial Shareholder has waived the right to receive them.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are officers and directors of the Corporation. As a Shareholder, you have the right to appoint a person, who need not be a Shareholder, to represent you at the Meeting. To exercise this right you should insert the name of your representative in the blank space provided on the form of proxy and strike out the other names or submit another appropriate proxy. The form of proxy should be dated and executed by the Shareholder or an attorney,

authorized in writing and with proof of the authorization attached. A proxy may be revoked by a registered Shareholder personally attending at the Meeting and voting his Voting Securities in person.

A form of proxy will not be valid for the Meeting or any adjournment unless it is completed and delivered to TSX Trust Company, 301 - 100 Adelaide Street West, Toronto, Ontario M5H 4H1 no later than 10:00 AM MDT on October 24, 2022 or any adjournment thereof. You may also send your proxies by fax to (416) 595-9593 or vote your shares online at www.voteproxyonline.com.

The Voting Securities represented by the Shareholder proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and that, if the Shareholder specifies a choice with respect to the matter to be acted upon, the Voting Securities will be voted accordingly.

A Shareholder may revoke his proxy at any time prior to a vote. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the Shareholder or by his authorized attorney in writing, or, if the Shareholder is a company, under its corporate seal by an officer or attorney duly authorized, either at the registered office of the Corporation or with TSX Trust Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment at which the proxy is to be used, or with the Chair of the Meeting on the day of the Meeting, or any adjournment.

ADVICE TO BENEFICIAL HOLDERS OF SHARES

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold Voting Securities, in which they have a beneficial interest, in their own name (the "**Beneficial Shareholders**").

Beneficial Shareholders should note that only proxies deposited by Shareholders who appear on the records of the registrar and transfer agent will be recognized at the Meeting. If the Voting Securities are listed in an account statement provided to a Beneficial Shareholder by a broker, those Voting Securities will, in all likelihood, not be registered in the Shareholder's name. Without specific instructions, brokers and their nominees are prohibited from voting shares held by Beneficial Shareholders.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every broker and other intermediaries have their own mailing procedures and provide their own return instructions to clients which should be carefully followed by Beneficial Shareholders in order to ensure that their Voting Securities are voted at the Meeting. The majority of brokers delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions, Canada ("**Broadridge**"). Broadridge mails a Voting Information Form (the "**VIF**") asking the Beneficial Shareholders to return the VIF to Broadridge by mail or by way of the Internet or telephone. A Beneficial Shareholder who receives a VIF cannot use that VIF to vote directly at the Meeting.

All reference to Shareholders in this Circular, the form of proxy and Notice are to registered Shareholders unless specifically stated otherwise.

NOTICE-AND-ACCESS

The Corporation has elected to use the "notice-and-access" provisions under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") for the Meeting in respect of the mailing of the Meeting materials to Beneficial Shareholders. The notice-and-access provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials required to be physically mailed to shareholders by allowing a reporting issuer to post its proxy-related meeting materials on a website.

REQUEST FOR FINANCIAL STATEMENTS

National Instrument 51-102-*Continuous Disclosure Obligations* ("**NI 51-102**") sets out the procedures, for a Shareholder to receive financial statements. If you wish to receive financial statements, you may use the enclosed form or provide instructions in any other written format.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares. As at the Record Date, there were 402,216,703 Common Shares and 1 Series 8 Preferred Share issued and outstanding.

The holders of Common Shares are entitled to one (1) vote for each Common Share held on all matters to be considered and acted upon at the Meeting. Quorum of the Shareholders holding Common Shares shall be at minimum two persons present and holding or representing by proxy not less than 5% of issued and outstanding Common Shares entitled to vote at the Meeting.

The holder of the Series 8 Preferred Share, being DHCT II Luxembourg S.a.r.l. ("**DHCT**"), is entitled to receive notice of and to attend all meetings of the Shareholders. As long as DHCT, together with its affiliates, own in the aggregate more than 10% of the issued and outstanding Common Shares and any non-voting common shares on a fully-diluted basis (calculated as the number of Common Shares and non-voting common shares that would be outstanding if all rights to acquire Common Shares and non-voting common shares were exercised, excluding for the purposes of this calculation, all Common Shares issuable upon the conversion of any options under any stock option plan of the Corporation), the holder of the Series 8 Preferred Share, voting separately as a class, shall have the right to designate and elect one (1) director from time to time, at the meetings of the Shareholders and/or between meetings of the Shareholders, and shall not, in its capacity as holder of the Series 8 Preferred Share, be entitled, as such, to vote in the election of the remaining Directors of the Corporation. Except as set forth above, or as otherwise required by the *Business Corporations Act* (Alberta) (the "**ABCA**"), the holder of the Series 8 Preferred Share shall not be entitled to vote at any meeting of the Shareholders of the Corporation.

To the knowledge of the directors and management, as at the Record Date, no person or company beneficially owned, directly or indirectly, or exercised control or direction over, voting securities carrying more than 10% of the voting rights attached to all classes of Voting Securities of the Corporation, other than as follows:

Name and Province/ Country of Residence	Number and Class of Voting Security	Percentage of Class Outstanding
DHCT II Luxembourg S.a.r.l. Luxembourg	91,710,165 Common Shares	23% ⁽¹⁾
DHCT II Luxembourg S.a.r.l. Luxembourg	1 Series 8 Preferred Share	100% ⁽²⁾
Itochu Corporation	34,013,998 Common Shares	8% ⁽¹⁾⁽³⁾

Notes:

(1) Percentage based on 402,216,703 Common Shares issued and outstanding as at the Record Date.

(2) Percentage based on 1 Series 8 Preferred Share issued and outstanding as at the Record Date.

(3) Assuming full conversion of the convertible debenture and warrants held by Itochu Corporation, it would hold 116,680,664 Common Shares representing approximately 24% of the Corporation's issued and outstanding Common Shares on a partially diluted basis.

BUSINESS OF THE MEETING

The Meeting will be constituted as an annual general and special meeting. The annual and special business to be transacted at the Meeting is as follows:

PRESENTATION OF FINANCIAL STATEMENTS

The board of directors of the Corporation (the "**Board**") has approved the audited financial statements for the year ended September 30, 2021, together with the auditors' report thereon and the unaudited financial statements of the Corporation for the interim period ended June 30, 2022. These financial statements have been mailed to registered and Beneficial Shareholders that responded to the Corporation's request card. The financial statements are available on the Corporation's SEDAR profile at www.sedar.com and will be presented at the Meeting.

FIX NUMBER OF DIRECTORS

Shareholders will be asked to vote in favour of the resolution to fix the number of directors to be elected at the Meeting at six (6). Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote proxies in the accompanying form in favour of an ordinary resolution fixing the number of directors to be elected at the Meeting at six (6) members, the text of which is as follows:

"BE IT RESOLVED that the number of directors of the Corporation be fixed at six (6) is hereby approved."

ELECTION OF DIRECTORS

There are currently six (6) directors and their term of office will expire at the Meeting unless such director is re-elected as a director at the Meeting. Management proposes that six (6) directors be elected at the Meeting. At the Meeting, Shareholders will be asked to elect the nominees set forth below. Pursuant to the terms of the ninth amended and restated investor rights agreement dated August 8, 2019 that was entered into between the Corporation and DHCT, DHCT intends to nominate Mr. Graeme Stening for election as a director. Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote proxies in the accompanying form in favour of an ordinary resolution electing the six (6) nominees set forth below as directors of the Corporation, the text of which is as follows:

"BE IT RESOLVED that the election of George W. Powlick, Michael Carten, Robert Penner, Graeme Stening, Justin Holland and Karen Hayward as directors of the Corporation to hold office until the earlier of the next annual meeting of the Shareholders or until their successors are elected or appointed is hereby approved."

The following table sets forth the nominees, positions with the Corporation, their principal occupations, periods during which they have served as directors and the number of voting shares beneficially owned, directly or indirectly, by each of them, or over which they exercise control or direction.

Name and Residence	Position Currently Held	Principal Occupation	Director Since	Number of Common Shares Held
George W Powlick ^{1,5} Arizona, USA	Director	Partner at Astanor Ventures	May 2009	1,554,250
Michael Carten ^{1,2} Alberta, Canada	Director	Retired; President and Chief Executive Officer of the Corporation until August 2015.	September 1999	976,442
Robert Penner ^{1,4} Alberta, Canada	Director	Retired from KPMG since April 2004	July 2004	1,397,969

Name and Residence	Position Currently Held	Principal Occupation	Director Since	Number of Common Shares Held
Graeme Stening ³ Windlesham, England	Director	Managing Director of Doughty Hanson & Co, a private investment company	July 2021	-
Karen Hayward California, USA	Director	Managing Partner, Chief Outsiders	July 2021	99,850
Justin Holland Ontario, Canada	Director and Chief Executive Officer	Chief Executive Officer since August 2015; Former Chief Operating Officer since July 2010	July 2016	4,539,485

Notes:

(1) Member of the audit committee of the Board (the "**Audit Committee**").

(2) Mr. Carten holds his Common Shares directly and indirectly through Michael Carten Professional Corporation and Sustainable Energy Technologies Inc.

(3) Designated appointee of DHCT.

(4) Chairman of the Audit Committee.

(5) Chairman of the Board.

Penalties, Sanctions, Cease Trade Orders or Bankruptcies

No proposed director, within 10 years before the date of this Circular, has been, a director, chief executive officer or chief financial officer of any company that:

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

No proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director 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, except as noted below.

No proposed director has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) 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.

Mr. Penner was a director of Terra Energy Corp. ("**Terra**"). On March 21, 2016, its lender, Canadian Western Bank ("**CWB**"), made a demand on Terra, as debtor, and each of its guarantors for payment in full of Terra's outstanding indebtedness plus accrued interest, costs and fees and CWB provided Terra and each of its guarantors with a Notice of Intention to Enforce Security under section 244(2) of the *Bankruptcy and Insolvency Act* (Canada). As a result, Terra and each of its guarantors has consented to the enforcement by CWB, as secured lender to Terra, of CWB's security pursuant to section 244(2) of the *Bankruptcy and Insolvency Act* (Canada).

RE-APPOINTMENT OF AUDITORS

KPMG LLP ("**KPMG**"), were appointed as auditors of the Corporation at the last annual general and special meeting of Shareholder and have been the auditors of the Corporation since May 12, 2021.

At the Meeting, Shareholders will be asked to vote in favour of a resolution to re-appoint KPMG as the auditors of the Corporation to hold office until the next annual general meeting of Shareholders and to authorize the directors to fix their remuneration. The Board, on the advice of the Audit Committee, recommends that the Shareholders vote in favour of the re-appointment of KPMG as auditors until the close of the next annual meeting at such remuneration as may be approved by the Board.

Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote proxies in the accompanying form in favour of an ordinary resolution to re-appoint KPMG, as auditors of the Corporation to hold office until the next annual general meeting of Shareholders and to authorize the directors to fix their remuneration, the text of which is as follows:

"BE IT RESOLVED that the appointment of KPMG LLP as auditors of the Corporation to hold office until the next annual meeting of the Shareholders and the directors of the Corporation be authorized to fix the auditor's remuneration and the terms of their engagement is hereby approved."

SHARE CONSOLIDATION

At the Meeting, Shareholders will be asked to consider and, if thought advisable, to approve a special resolution authorizing the Corporation to amend its articles in order to consolidate its issued and outstanding Common Shares (the "**Consolidation**") at a ratio of between three (3) and ten (10) pre-consolidation Common Shares for every one (1) post-consolidation Common Share, as may be determined by the Board in its sole discretion (the "**Consolidation Ratio**"). As set out below, if the Consolidation Resolution is approved, the Consolidation would be implemented, if at all, only upon a determination by the Board that it is in the best interests of the Corporation at that time.

Shareholders will be asked to vote in favour of a special resolution to approve the Consolidation. Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote proxies in the accompanying form in favour of a special resolution approving the Consolidation (the "**Consolidation Resolution**"), the text of which is as follows:

"BE IT RESOLVED AS A SPECIAL RESOLUTION, that:

1. Eguana Technologies Inc. (the "**Corporation**") is hereby authorized to amend its articles to provide that:
 - a. the authorized capital of the Corporation is altered by consolidating all of the issued and outstanding common shares of the Corporation without par value on the basis of a consolidation ratio to be selected by the Corporation's board of directors, in its sole discretion, provided that (i) the ratio may be no smaller than one post-consolidation common share for every three (3) pre-consolidation common shares and no larger than one post-consolidation common share for every ten (10) pre-consolidation common shares, and (ii) the number of pre-consolidation common shares in the ratio must be a whole number of common shares (the "**Consolidation Ratio**");

- b. in the event that the consolidation would otherwise result in the issuance of a fractional share, no fractional share shall be issued and such fraction will be rounded down to the nearest whole number; and
 - c. the effective date of such consolidation shall be the date shown in the certificate of amendment issued by the Registrar of Corporations of Alberta (the "**Registrar**") or such other date indicated in the articles of amendment provided that, in any event, such date shall be on any date prior to the date that is one year from the date of approval of this special resolution by the Corporation's shareholders.
2. The amendment to the Corporation's articles to reflect the Consolidation Ratio is hereby authorized and approved.
3. Any director or officer of the Corporation is hereby authorized for and on behalf of the Corporation to execute and deliver all documents and instruments and to take such other actions as such director or officer may determine to be necessary or desirable to implement this special resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions.
4. Notwithstanding the foregoing, the Consolidation Ratio pursuant to this special resolution will not be effective until such time as articles of amendment have been filed on behalf of the Corporation with the Registrar has taken effect.
5. Notwithstanding the approval of the shareholders of the Corporation as herein provided, the Consolidation Ratio is subject to the receipt of final approval from the TSX Venture Exchange and the board of directors of the Corporation may, in its sole discretion, revoke this special resolution before it is acted upon, without further approval of the shareholders of the Corporation.

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

PRINCIPAL REASONS FOR EFFECTING THE CONSOLIDATION

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

Increased investor interest. A higher post-consolidation share price could help generate interest in the Corporation among new and existing investors. While decreasing the number of Common Shares outstanding may not, by itself, affect the marketability of the Common Shares, in practice many investors, including institutional investors and investment funds, consider low-priced shares as unduly speculative in nature and, as a matter of policy, avoid investments in such shares. As a result, a higher anticipated share price may meet investing guidelines for certain investors that are currently prevented under their investing guidelines from investing in the Common Shares at current price levels, and may allow such investors to leverage their investment by meeting margin eligibility requirements.

Reduction of Shareholder transaction costs. Shareholders may benefit from relatively lower trading costs associated with a higher share price. In circumstances where commissions are based on the number of shares traded, investors pay lower commissions to trade a fixed value of shares where the price per share is higher.

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

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

PRINCIPAL EFFECTS OF THE SHARE CONSOLIDATION

The principal effects of the Consolidation would be:

Reduction in the number of Common Shares outstanding. The number of Common Shares issued and outstanding will be reduced from 402,216,703 Common Shares (as of the Record Date) to between approximately 40,221,670 and 134,072,234, depending on the Consolidation Ratio selected by the Board.

Adjustments to the outstanding options and common share purchase warrants of the Corporation. The exercise price and the number of Common Shares issuable under the Corporation's outstanding options and common share purchase warrants will be proportionately adjusted, based on the Consolidation Ratio selected by the Board, with any fraction rounded down to the nearest whole number.

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

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

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

CERTAIN RISKS ASSOCIATED WITH THE CONSOLIDATION

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

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

There are numerous factors and contingencies that could affect the Common Share price prior to or following the Consolidation, including the status of the market for the Common Shares at the time, the status of the Corporation's reported financial results in future periods, and general economic, geopolitical, stock market and industry conditions, including but not limited to, the impact of the COVID-19 pandemic on the Corporation's

business and operations. Accordingly, the market price of the Common Shares may not be sustainable at the direct arithmetic result of the Consolidation and may be lower.

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

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

While the Board believes that a higher share price may provide the benefits described above, the Consolidation may not result in a share price that will attract institutional investors or investment funds. As a result, the liquidity of the Common Shares may not improve after giving effect to the Consolidation.

Furthermore, the liquidity of the Common Shares could be adversely affected by the reduced number of Common Shares that would be outstanding after the Consolidation.

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

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

PROCEDURE FOR IMPLEMENTING THE CONSOLIDATION

If the Consolidation Resolution is approved by Shareholders and the Board decides to implement the Consolidation, subject to TSXV approval, the Corporation will file articles of amendment with the Registrar of Corporations of Alberta in the form prescribed by the ABCA to amend the Corporation's articles. The Consolidation will become effective on the date shown in the certificate of amendment issued by the Registrar or such other date indicated in the articles of amendment.

Effect on Share Certificates

If the proposed Consolidation is approved by Shareholders and implemented, then following the announcement by the Corporation of the Consolidation Ratio selected by the Board and the effective date of the Consolidation, share certificates representing pre-consolidation Common Shares will: (i) not constitute good delivery for the purposes of trades of Common Shares post-consolidation; and (ii) be deemed for all purposes to represent the number of Common Shares to which the shareholder is entitled as a result of the Consolidation. No delivery of a new share certificate to a Shareholder will be made until the Shareholder surrenders its certificates representing the pre-consolidation Common Shares to the registrar and transfer agent of the Corporation.

Effect on Convertible and Exercisable Securities

The exercise or conversion price and/or the number of Common Shares issuable under any outstanding convertible and exercisable securities, including under outstanding options, warrants, rights, and any other similar securities will be proportionately adjusted upon the implementation of the Consolidation, in accordance with the terms of such securities, on the same basis as the Consolidation.

Effect on Non-Registered Holders

Non-registered beneficial holders holding their Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have specific procedures for processing the Consolidation.

If you hold your Common Shares with such a bank, broker or other nominee and if you have any questions in this regard, you are encouraged to contact your nominee.

No Dissent Rights

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

AUDIT COMMITTEE

AUDIT COMMITTEE CHARTER

The Audit Committee charter is attached hereto as Appendix A.

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee consists of Michael Carten, Robert Penner, who serves as Audit Committee Chairman, and George Powlick. Messrs. Carten, Penner and Powlick are all considered financially literate. Only Mr. Penner and Mr. Powlick are considered independent. Michael Carten served as President and CEO of the Corporation until August 17, 2015; therefore, he is deemed not to be independent as defined by National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”).

Board Observer

Hiroaki Murase, of Itochu Corporation, serves as a Board observer (the “**Board Observer**”). Under the terms of an investor rights agreement among the Corporation and Itochu Corporation, dated May 13, 2020 (the “**Board Observer Agreement**”), the Corporation granted the Board Observer the right to attend meetings of the Board in a non-voting, observer capacity. Notwithstanding the foregoing, the Corporation may exclude the Board Observer from access to any Board materials, meeting or portion thereof if the majority of the Board has a good faith reason to believe that the Board Observer’s receipt of such information or presence at such meeting would be materially prejudicial to the Corporation.

RELEVANT EDUCATION AND EXPERIENCE

Robert Penner, FCPA, FCA is a chartered accountant and businessman. Mr. Penner was a senior tax partner with KPMG LLP where he worked from 1979 to 2004. Mr. Penner is a graduate of the Institute of Corporate Directors.

Michael Carten, LLB is co-founder, and former President, CEO and Chairman, and has led the Corporation from proof of concept through the product development and commercialization process to full production. Mr. Carten has more than 30 years’ experience in the conventional and alternative energy industry. Mr. Carten holds a BA from Loyola College (Université de Montréal) and a Bachelors of Law from Dalhousie Law School. Mr. Carten is a graduate of the Institute of Corporate Directors.

George W. Powlick has been an active venture capitalist since 1995 in Silicon Valley and in Europe. He is currently a Venture Partner with Astanor Ventures. Previously, he co-founding Doughty Hanson Technology Ventures in 2000 and was head of the Strategic Investments and Acquisitions Group for Intel Corporation in Europe and the Middle East. He holds an MBA from the UCLA Anderson School of Management and a BSc in materials science and engineering from the University of California, Berkeley.

AUDIT COMMITTEE OVERSIGHT

Since the commencement of the Corporation’s more recently complete financial year, each of the Audit Committee’s recommendations to nominate or compensate an external auditor have been adopted by the Board.

RELIANCE ON CERTAIN EXEMPTIONS

Since the commencement of the Corporation’s most recently completed financial year, it has not relied on the exemption in section 2.4 (*De Minimus Non-audit Services*) of NI 52-110 or an exemption granted under Part 8 (*Exemptions*) of NI 52-110.

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter.

EXTERNAL AUDITOR SERVICE FEES

The aggregate fees billed by the external auditors in each of the last two (2) fiscal years for audit and other fees are as follows:

Financial Year Ending	Audit Fees ^[1]	Audit Related Fees ^[2]	Tax Fees ^[3]	All Other Fees ^[4]
September 30, 2020				
BDO	\$130,718	Nil	Nil	Nil
September 30, 2021				
BDO	\$32,805	\$49,207	Nil	Nil
KPMG	\$144,450	\$21,400	\$83,288	Nil

Notes:

(1) "Audit fees" include fees for services rendered by the external auditors in relation to the audit and review of the Corporation's financial statements and in connection with the Corporation's statutory and regulatory filings.

(2) "Audited related fees" include the aggregate audit related fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported as "Audit Fees"

(3) "Tax Fees" include the aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.

(4) "All Other Fees" include the aggregate fees billed for products and services, other than "Audit fees", "Audit related fees" and "Tax fees" above.

EXEMPTION

The Corporation is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and its reporting obligations under NI 52-110.

COMPENSATION OF NAMED EXECUTIVE OFFICERS AND DIRECTORS

Based on the definition of Named Executive Officer or NEO in Form NI 51-102F6V – *Statement of Executive Compensation – Venture Issuers*, during the Corporation's financial year ended September 30, 2021, the Corporation had three (3) named executive officers: (i) Justin Holland, CEO; (ii) Sonja Kuehnle, CFO and (iii) Brent Harris, COO.

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation to each Named Executive Officer and director of the Corporation in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of the Corporation for services provided and for services to be provided, directly or indirectly, to the Corporation, for each of the Corporation's two (2) most recent completed financial years.

Other than the Option Plan, the Corporation does not have any share-based award plans, non-equity long-term incentive plans, or any defined benefit or defined contribution pension plans for its NEOs.

Name and position	Fiscal Year Ended September 30	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Justin Holland CEO and Director ¹	2021	278,000	Nil	Nil	Nil	277,830
	2020	278,000	Nil	Nil	Nil	277,830
Brent Harris COO ²	2021	190,000	Nil	Nil	4,903	194,903
	2020	190,000	Nil	Nil	4,980	194,980
Sonja Kuehne CFO	2021	161,359	Nil	Nil	4,982	166,341
	2020	155,000	Nil	Nil	3,023	158,023
Michael Carten President, Director ³	2021	Nil	Nil	28,500	Nil	28,500
	2020	Nil	Nil	29,000	Nil	29,000
George Powlick Director	2021	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil
Graeme Stening Director ⁴	2021	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil
Gregory Nelson Director ⁵	2021	Nil	Nil	20,584	Nil	20,584
	2020	Nil	Nil	27,500	Nil	27,500
Karen Hayward Director ⁶	2021	Nil	Nil	4,415	Nil	4,415
	2020	Nil	Nil	Nil	Nil	Nil
Robert Penner Director	2021	Nil	Nil	38,500	Nil	38,500
	2020	Nil	Nil	39,000	Nil	39,000

Notes:

- (1) All compensation paid to Justin Holland has been in respect of his position as an executive officer of the Corporation and is paid to J. Holland Consulting and has been included in the table above.
- (2) Mr. Harris accepted a position as COO of the Corporation in April 2022. Previously, Mr. Harris was Executive Vice President of the Corporation since January 2019.
- (3) On August 18, 2015, Mr. Carten resigned as the President and CEO of the Corporation. During fiscal 2014 and 2015, Mr. Carten's compensation was \$300,000 per year, of which 50% was deferred pending certain contingencies including a change of control of the Corporation, profitability, insolvency of the Corporation or termination of his employment contract. During fiscal 2015, the contract of employment was terminated with effect on September 30, 2015 which was two years in advance of the contractual term. Under the termination agreement, Mr. Carten agreed to accept payment of the deferred compensation plus statutory vacation pay in respect thereof plus \$300,000 in compensation due in respect of the last two (2) years of his contract over a period of 82 months. For the purposes of this Circular, \$300,000 payable in respect of 2016 and 2017 and statutory vacation on deferred compensation during 2014 and 2015 is treated as compensation for the 2015 fiscal year of which \$157,380 was paid in 2021. For further detail please refer to "Employment, Consulting and Management Agreements".
- (4) Mr. Stening was appointed Director effective July 28, 2021.
- (5) Mr. Nelson resigned as Director effective July 28, 2021.
- (6) Ms. Hayward was appointed Director effective July 28, 2021.
- (7) The Corporation did not pay any perquisites to the directors or NEOs during fiscal 2020 and 2021.

STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

The following table sets forth all compensation securities granted or issued to each NEO or director by the Corporation in the most recent financial year. Other than the Option Plan, the Corporation does not have any share-based award plans for its NEOs. Each Option can be exercised into one Common Share.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

During the fiscal year ended September 30, 2021, no compensation securities have been re-priced, cancelled and replaced, had their terms extended, or otherwise been materially modified, in the most recently completed financial year.

As at September 30, 2021, Mr. Holland held a total of 2,115,264 incentive stock options ("**Options**"); Mr. Harris held a total of 1,288,811 Options; Ms. Kuehnle held a total of 375,000 Options; Mr. Carten held a total of 538,651 Options; Mr. Powlick held a total of 89,203 Options; Mr. Stening held no Options; Ms. Hayward held no Options and Mr. Penner held a total of 179,412 Options. As at September 30, 2021, 2,538,334 Options granted to such persons were fully vested and exercisable, 1,656,341 Options were vested but not exercisable due to the performance indicator described below not being met, and 391,666 Options were unvested.

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOs

No director or NEO exercised any compensation securities during the most recently completed financial year.

STOCK OPTION PLANS AND OTHER INCENTIVE PLANS

The Board established the Corporation's existing stock option plan (the "**Option Plan**") whereby the Corporation may grant Options to purchase Common Shares to the directors, officers, employees, and consultants of the Corporation. Options generally vest in three tranches, the first tranche immediately, the second tranche in one year's time and the third tranche in two years' time. The Option Plan allows for a maximum term of ten years on any Option issued. The Option Plan is fixed and therefore the Corporation, at the discretion of the Board, may issue up to a maximum of 36,708,000 Options. The Option Plan was last approved by the shareholders of the Corporation on September 16, 2021. The minimum price at which the Options may be granted is the Discounted Market Price (as defined by the TSXV Corporate Finance Manual) on the date of issue.

Options issued in June 2013, October 2014 and March 2015 are only exercisable following two consecutive quarters of positive earnings before interest, taxes, depreciation and amortization. Management has estimated that as at September 30, 2018, 2,857,316 Options are not exercisable as the performance indicator has not been achieved and there is uncertainty as to when it will be achieved, resulting in no stock-based compensation being recognized.

EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS

CONSULTING AGREEMENT – J. HOLLAND CONSULTING

The Corporation entered into a consulting agreement with J. Holland Consulting for Mr. Holland to render his services as the CEO of the Corporation for an annual consulting fee of \$150,000 effective November 15, 2010. Effective November 21, 2016, the consulting agreement was amended to increase the annual consulting fees to \$252,000. The agreement allows for a bonus of 30% of the consulting fee an annual increase of 5% to be paid subject to approval from the Board. The consulting agreement remained in place following Mr. Holland's

appointment as CEO in August 2015 and is currently in effect.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Except as specifically described below in respect of Mr. Carten, the Corporation is not a party to any contract, agreement, plan or arrangement that provides for payments to a NEO or director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation, its subsidiaries or affiliates or a change in a NEOs responsibilities.

DIRECTOR COMPENSATION

The Corporation paid independent directors an annual retainer of \$25,000 plus \$500 for each meeting of the Board or committee of the Board attended by the director during the fiscal year ended September 30, 2020. Mr. Penner receives an additional \$10,000 per year for holding the position of Audit Committee Chair. In addition, the directors were reimbursed for expenses incurred in carrying out their duties as directors.

During the year ended September 30, 2021, Mr. Powlick and Mr. Stening did not receive any retainer as a director, due to policies of Doughty Hanson Technology Ventures.

Other than the Plan, the Corporation does not have share-based award plans, non-equity incentive plans or pension plans for its directors.

OVERSIGHT AND DESCRIPTION OF DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

NEO COMPENSATION GOVERNANCE

Objectives and Philosophy of the Compensation Program

The overall compensation program is intended to attract and retain competent, committed individuals who will ensure the long-term success of the Corporation by rewarding performance and contributions to the achievement of corporate goals and objectives. The Corporation strives to maintain alignment between the interests of shareholders with those of executives and key employees. To this end, salaries for the CEO and certain of the key employees, have been held significantly below market, and employees and executives have been awarded Options, allowing the Corporation to offer a competitive compensation package and encouraging investment in the Corporation.

Criteria for Compensation

The compensation policy is based largely upon the market value of the type of job the individual performs, the experience, skills, knowledge and responsibilities of the individual and their level of individual performance.

Elements of Compensation and Determination of Amounts for each Element

The Corporation strives to provide a competitive compensation package, with a direct link to corporate performance, by emphasizing the components of cash and Options to motivate highly qualified personnel. To this end, the Corporation compensates its executive officers through base salary and the award of Options to acquire Common Shares under the Plan, all at levels which the Corporation believes are reasonable in light of the performance of the Corporation under the leadership of the executive officers.

Base Salary

Base salary is intended to compensate core competencies in the executive role relative to skills, level of responsibility, industry experience, individual performance and contribution to the growth of the Corporation. Base salary provides fixed compensation determined by reference to competitive market information. Salaries of certain executive officers have historically been kept significantly below those of the industry and general marketplace because a greater emphasis is placed on Options in order to better align the interests of executives

with those of shareholders. Base salaries for executive officers are reviewed by the Board to ensure they are appropriate so as to protect the ability of the Corporation to hire and retain key personnel.

Options

Long-term equity-based incentive compensation through the granting of Options is an important element of the compensation policy because it rewards long-term performance by allowing executive officers and employees to participate in the long-term market appreciation of the Common Shares and the overall growth of the Corporation. The Board believes that the granting of Options is required for the Corporation to be competitive from a total remuneration standpoint and to encourage retention. The granting of Options also promotes the alignment of interests of shareholders and executives.

With respect to the granting of Options, the Board reviews the recommendation of the CEO regarding Option awards. The CEO bases his decision upon the seniority, level of responsibility and the contribution of each individual toward the Corporation's goals and objectives. Consideration is also given to the overall number of Options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of Options.

As at September 30, 2021, the maximum number of shares issuable upon exercise of the outstanding Options was 12,191,678. Additionally, 2,857,316 Options had vested but were not exercisable because the performance indicator described above had not been met and 1,363,322 were unvested. Pursuant to the terms of the Plan, the Board has the discretion to determine the fixed term of the Options, which shall not exceed ten years, and vesting provisions of the Options at the time of granting, including earlier termination provisions for the stock options. The Board shall have the discretion to amend the date upon which Options will terminate on a case by case basis.

Benefits

The NEOs are eligible to participate in the same benefits as offered to all full-time employees. The Corporation does not view these benefits as a significant element of its compensation structure but does believe that they can be used in conjunction with base salary to attract, motivate and retain individuals in a competitive environment.

Assessment of Compensation

The compensation of the CEO is determined by the Board and the compensation for all other executive officers is determined by the Board after consideration of the recommendations of the CEO.

The Corporation recognizes that past and future success of the Corporation relies on its people and strives to foster compensation packages that promote the attraction, retention and development of quality personnel. Although salaries have historically been significantly below market, total compensation of executive officers is targeted to be competitive against similarly sized companies within the industry.

DIRECTOR COMPENSATION

Director compensation is determined through review of market rates that other directors are being paid on boards of similar types of companies of similar size. The Chairman of the Board provides final approval.

PENSION PLAN BENEFITS

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

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following sets forth information for the Options outstanding under the Option Plan as at September 30, 2021.

Plan Category	Number of Common Shares to be Issued Upon Exercise of Outstanding Options	Weighted-Average Exercise Price of Outstanding Options	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by securityholders	16,412,316	\$0.27	20,295,684 ⁽¹⁾
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	16,412,316	\$0.24	20,295,684 ⁽¹⁾

Notes:

(1) As of September 30, 2021, the total number of Common Shares issuable under the Option Plan could not exceed 36,708,000.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Pursuant to National Instrument 58-101-*Disclosure of Corporate Governance Practices*, the Corporation has disclosed its corporate governance practices in Appendix B.

MANAGEMENT CONTRACTS

Management functions of the Corporation are performed by the directors and executive officers of the Corporation and are not to any substantial degree performed by any other person. The Corporation has entered into employment agreements with certain of its officers as further detailed in "Employment, Consulting and Management Agreements" above.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors or officers or associates of such persons have been indebted to the Corporation or any of its subsidiaries at any time since the beginning of the most recently completed fiscal year. No such person has been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries in respect of the purchase of securities or otherwise.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Management is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or officer, any person or company beneficially owning, directly or indirectly, more than 10% of the voting securities, or any associate or affiliate of such persons in any transaction within the last fiscal year or in any proposed transaction which in either case has materially affected or will materially affect the Corporation or its subsidiaries.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as set forth herein, management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, or of any nominee for election as a director, or of any associate or affiliate of any such persons, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

ADDITIONAL INFORMATION

Additional financial information regarding the Corporation's business is contained in the audited consolidated financial statements and accompanying management's discussion and analysis for the year ended September 30, 2021 and can be found on the Corporation's SEDAR profile at www.sedar.com. Shareholders who wish to receive copies of the Corporation's annual audited financial statements or management's discussion and analysis should send a request to Eguana Technologies Inc., 3636 7th Street SE, Calgary, Alberta T2G 2Y8, or by phone at (403) 508-6990, or by fax to (403) 205-2509.

GENERAL

All matters referred to herein for approval by the Shareholders require the approval of a simple majority of the Shareholders voting, in person or by proxy, at the Meeting. The contents and sending of this Circular have been approved by the Board.

Unless otherwise stated, the information contained herein is given as of the 9th day of September, 2022.

**ON BEHALF OF THE BOARD OF DIRECTORS OF
EGUANA TECHNOLOGIES INC.**

"George W. Powlick"

George W. Powlick, Chairman of the Board of Directors

APPENDIX A

EGUANA TECHNOLOGIES INC. (the "Corporation") Audit Committee Charter

OVERALL ROLE AND RESPONSIBILITY

The primary role and the responsibilities of the audit committee (the "**Audit Committee**") of the board of directors of the Corporation (the "**Board of Directors**" or the "**Board**") shall be to:

1. assist the Board of Directors in its oversight role with respect to:
 - a. the quality and integrity of financial reporting and information;
 - b. the independent auditor's performance, qualifications and independence;
 - c. the performance of the Corporation's internal audit function, if applicable; and
 - d. the Corporation's compliance with legal and regulatory requirements;
2. prepare such reports of the Audit Committee as are required to be included in any documents in accordance with applicable laws or the rules of the applicable securities regulatory authorities;
3. assess the processes related to the determination and mitigation of risks and the maintenance of an effective control environment; and
4. strengthen the role of the independent directors of the Corporation by facilitating in depth discussions between the directors on the Audit Committee, management and the Corporation's independent auditors.

MEMBERSHIP AND MEETINGS

The Audit Committee shall consist of three (3) or more directors of the Corporation appointed by the Board of Directors. At least a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Corporation or of any affiliate of the Corporation. The members of the Audit Committee shall satisfy the applicable independence and financial literacy standards required by the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities. The Board of Directors shall designate one (1) member of the Audit Committee as the committee chair (the "**Committee Chair**" or "**Chair**").

Any members of the Audit Committee may be removed or replaced at any time by the Board of Directors and will cease to be a member of the Audit Committee as soon as such member ceases to be a director of the Corporation. The Board may fill vacancies on the Audit Committee by appointment from among its members. If and whenever a vacancy exists on the Audit Committee, the remaining members may exercise all its powers so long as a quorum remains.

STRUCTURE AND OPERATIONS

The affirmative vote of a majority of the members of the Audit Committee participating in any meeting of the Audit Committee is necessary for the adoption of any resolution of the Audit Committee. In case of an equality of votes, the chairman of the meeting shall be entitled to a second or casting vote.

The Chair will preside as chairman at all meetings of the Audit Committee, unless the Chair is not present, in which case the members of the Audit Committee that are present will designate from among such members the chairman for the purposes of the meeting.

The Audit Committee shall meet as often as it determines, but not less frequently than once per quarter. A quorum for meetings of the Audit Committee will be a majority of its members and the rules for calling, holding, conducting and adjourning meetings of the Audit Committee will be the same as those governing the Board of Directors unless otherwise determined by the Audit Committee or the Board of Directors.

The Chief Financial Officer will attend meetings of the Audit Committee where matters relating to the functions as the Audit Committee are dealt with, unless otherwise excused from all or part of any such meeting by the Chairman. The Audit Committee may invite such officers, directors and employees of the Corporation as it sees fit from time to time to attend at meetings of the Audit Committee and assist in the discussion and consideration of the matters being considered by the Audit Committee.

The Audit Committee will meet with the Corporation's external auditor at least once per year (in connection with the preparation of the year-end financial statements) and at such other times as the external auditor and the Audit Committee consider appropriate. The Audit Committee is expected to establish and maintain free and open communication with the Corporation's management and the independent auditor and shall periodically meet separately with each of them.

Agendas, approved by the Chair, will be circulated to the Audit Committee members along with background information on a timely basis prior to Audit Committee meetings. Minutes of all meetings of the Audit Committee will be taken and included in the minute books of the Corporation. The Audit Committee shall report to the Board of Directors on its activities after each of its meetings at which time minutes of the prior Audit Committee meeting shall be tabled for the Board.

Any issues arising from these meetings that bear on the relationship between the Board and the Corporation's management should be communicated to the Chairman of the Board by the Committee Chair.

SPECIFIC DUTIES

The Audit Committee shall be responsible for providing oversight of the independent auditor of the Corporation and shall be specifically responsible for:

- Making recommendations to the Board with respect to the appointment and, if applicable, the replacement of the Corporation's independent auditor and, when there is to be a change in the Corporation's auditor, reviewing all issues relating to the change, including any reportable events, and all information to be included in the required notice to securities regulators of such change.
- Evaluating the qualifications, performance and independence of the independent auditor, including: (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation; and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- The determination of the independent auditor's compensation and oversight of the work of the independent auditor (including resolution of any disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.
- The pre-approval of all audit services and permitted non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.

- Obtaining from the independent auditor and review the independent auditor's report regarding the internal controls of the Corporation to be included in any documents as required by the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities.
- Ensuring the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit of the Corporation and the audit partner responsible for reviewing the audit as required by law (currently at least every five (5) years).

FINANCIAL REPORTING

The Audit Committee shall review and discuss with management of the Corporation and the independent auditor, as applicable:

- prior to the Corporation's annual audit, the scope, planning and staffing of the annual audit;
- the annual audited financial statements of the Corporation;
- the Corporation's annual and quarterly disclosures made in management's discussion and analysis;
- the approval of any auditor's reports to be included in filings made by the Corporation;
- the Corporation's quarterly financial statements, including the results of the independent auditor's review of the quarterly financial statements and any matters required to be communicated by the independent auditor under the applicable review standards;
- significant accruals, reserves or other estimates such as the ceiling test calculation;
- accounting treatment of unusual or non-recurring transactions;
- compliance with covenants under any loan agreements of the Corporation;
- disclosure requirements for commitments and contingencies;
- adjustments raised by the external auditors, whether or not included in the financial statements;
- significant variances with comparative reporting periods;
- significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements;
- any significant changes in the Corporation's selection or application of accounting principles;
- any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies; and
- other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.

In addition to the foregoing, the Audit Committee shall:

- Discuss with the independent auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.
- Review the financial statements, prospectuses, management's discussion and analysis, annual information form and all public disclosure containing audited or unaudited financial information of the Corporation (including, press releases and any other disclosures detailing earnings or financial results) before release and prior to Board approval. The Audit Committee must be satisfied that adequate procedures are in place for the review of the Corporation's disclosure of all other financial information and will periodically assess the accuracy of those procedures.
- Conduct an investigation sufficient to provide reasonable grounds for believing that the financial statements, management's discussion and analysis and any public disclosure documents containing financial information are complete in all material respects and consistent with the information known to Audit Committee members, and assess whether the financial statements reflect appropriate accounting principles.

RISK ASSESSMENT AND RISK MANAGEMENT

The Audit Committee shall:

- Periodically review and discuss with the Corporation's management guidelines and policies governing the Corporation's risk assessment and risk management processes.
- Review with the Corporation's management and the independent auditors, significant risks and exposures facing the Corporation, including management's plans and processes to minimize these risks.
- Evaluate whether the Corporation's management is adequately communicating the importance of internal control to all relevant personnel.
- Periodically privately consult with the independent auditor about the Corporation's internal controls and the completeness and accuracy of the Corporation's financial statements.
- Review whether the internal control recommendations made by the independent auditor are being implemented by the Corporation's management and, if not, why not.

OTHER RESPONSIBILITIES

- Review President, Chief Executive Officer and Chief Financial Officers' expenses and perquisites at least once a year.
- Review all consulting fees paid by the Corporation to any organization where such fees exceed \$20,000 annually.
- Institute special investigations, if necessary, and hire special counsel or experts to assist, if appropriate.
- Establish, and review annually, a procedure for:
 - the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 - the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters and resolution of such concerns, if any.
- Review with the Board, any issues that arise with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements and the performance and independence of the Corporation's independent auditors.
- Perform other oversight functions as requested by the Board.

AUDIT COMMITTEE'S ROLE

The Audit Committee has the oversight role set out in this Charter. The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board of Directors for its approval.

Management, the Board of Directors and the independent auditor all play important roles in respect of compliance and the preparation and presentation of financial information. Management is responsible for compliance and the preparation of financial statements and periodic reports. Management is responsible for ensuring the Corporation's financial statements and disclosures are complete, accurate, in accordance with generally accepted accounting principles and applicable laws. The Board of Directors in its oversight role is responsible for ensuring that management fulfills its responsibilities. The independent auditor, following the completion of its annual audit, opines on the presentation, in all material respects, of the financial position and results of operations of the Corporation in accordance with International Financial Reporting Standards.

FUNDING FOR INDEPENDENT AUDITOR AND RETENTION OF INDEPENDENT ADVISORS

The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Audit Committee. The Audit Committee shall also have the authority to retain and determine the compensation of such other independent counsel and other advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefor shall also be funded by the Corporation.

APPROVAL OF AUDIT AND REMITTED NON-AUDIT SERVICES PROVIDED BY EXTERNAL AUDITORS

Over the course of any year there will be two levels of approvals that will be provided. The first is the existing annual Audit Committee approval of the audit engagement and identifiable permitted non-audit services for the

coming year. The second is in-year Audit Committee pre-approvals of proposed audit and permitted non-audit services as they arise.

Any proposed audit and permitted non-audit services to be provided by an external auditor to the Corporation or its subsidiaries must receive prior approval from the Audit Committee, in accordance with this protocol. The Chief Financial Officer shall act as the primary contact to receive and assess any proposed engagements from an external auditor.

Following receipt and initial review for eligibility by the primary contacts, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted.

In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non-audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next scheduled meeting.

PROCEDURE GOVERNING ERRORS OR MISSTATEMENTS IN FINANCIAL STATEMENTS

In the event a director or an officer of the Corporation has reason to believe, after discussion with management, that a material error or misstatement exists in financial statements of the Corporation, that director or officer shall forthwith notify the Audit Committee and the auditor of the error or misstatement of which the director or officer becomes aware in a financial statement that the auditor or a former auditor has reported on.

If the auditor or a former auditor of the Corporation is notified or becomes aware of an error or misstatement in a financial statement on which the auditor or former auditor has reported, and if in the auditor's or former auditor's opinion the error or misstatement is material, the auditor or former auditor shall inform each director accordingly.

When the Audit Committee or the Board is made aware of an error or misstatement in a financial statement the Board shall prepare and issue revised financial statements or otherwise inform the shareholders of the Corporation and file such revised financial statements as required.

LIMITATION ON AUDIT COMMITTEE MEMBERS' DUTIES

Nothing in this Charter is intended, or may be construed, to impose on any member of the Audit Committee a standard of care or diligence that is in any way more onerous or extensive than the standard required by law.

APPENDIX B

CORPORATE GOVERNANCE DISCLOSURE

Board of Directors

The board of directors of the Corporation (the "**Board**") exercises independent supervision over management by scheduling meetings of only independent directors to ensure that non-independent directors are not unduly influencing independent directors. Independent directors are Robert Penner, Graeme Stening, Karen Hayward and George Powlick. Mr. Carten is not considered independent due to his former relationship with the Corporation. Mr. Holland is not considered independent due to his current relationship as Chief Executive Officer of the Corporation.

Orientation and Continuing Education

The Board ensures that a new member is provided access to senior management to discuss the current business strategy, encourages new members to meet individually with current members to discuss historical information and has access to the minute books.

Ethical Business Conduct

The Board encourages ethical business conduct by ensuring that all members are experienced in leading corporations with ethical business standards.

Nomination of Directors

The Board as a whole proposes nominees and a majority of the independent directors meet with each nominee to ensure compatibility with current members.

Compensation

The Board reviews the CEO compensation on an annual basis. Director compensation is determined through review of market rates that other directors are being paid on boards of similar types of companies of similar size. The Chairman of the Board provides final approval. Robert Penner, Graeme Stening and Karen Hayward who are independent directors receive an annual stipend of \$25,000 plus \$500 per meeting. Robert Penner, chairman of the Audit Committee, receives an additional \$10,000 per year. The Board, as a whole, reviews the stock option plan of the Corporation and any grants to directors.

Assessments

The Board does not have a formal process where the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. The Chairman of the Board reviews the attendance and performance of the committees on an informal basis.

Other Board Committees

The Board has expanded the Audit Committee responsibilities to include Corporate Governance oversight.