

EGUANA TECHNOLOGIES INC.

STOCK OPTION PLAN

1 **Purpose**

The purpose of the Stock Option Plan (the "Plan") of **Eguana Technologies Inc.** (the "Corporation") is to advance the interests of the Corporation and each subsidiary of the Corporation (a "Subsidiary") by encouraging the directors, officers, managers, consultants and employees of the Corporation and its Subsidiaries to acquire shares in the Corporation, thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and its Subsidiaries and furnishing them with additional incentive in their efforts on behalf of the Corporation and its Subsidiaries.

2 **Administration**

- (a) The Plan shall be administered by the Board of Directors of the Corporation, or if appointed, by a special committee of Directors appointed from time to time by the Board of Directors of the Corporation (such committee, or if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the "Committee") pursuant to rules of procedure fixed by the Board of Directors.
- (b) Each stock option (an "Option") granted under this Plan shall be evidenced by an agreement, signed on behalf of the Corporation and by the Optionee, in such form, as the Committee shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

3. **Maintenance of Sufficient Capital**

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of common shares in the capital of the Corporation ("Common Shares") as will be sufficient to satisfy the requirements of the Plan.

4. **Eligibility and Participation**

Directors, officers, managers, consultants and employees of the Corporation and its Subsidiaries shall be eligible for selection to participate in the Plan (such persons herein collectively referred to as "Participants"). The Committee shall determine to whom Options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such Options shall be granted, and the number of Common Shares to be subject to each Option, subject to the applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the TSX Venture Exchange (the "Exchange"). The Plan is subject to the following limitations:

- (a) the total number of Common Shares issuable shall not exceed 44,895,600, such number representing approximately 10% of the issued and outstanding Common Shares of the Corporation;
- (b) the number of Common Shares reserved for issuance, within a one-year period, to any one Optionee shall not exceed 5% of the Common Shares;
- (c) the number of Common Shares reserved for issuance, within a one-year period, to any one Consultant of the Corporation may not exceed 2% of the Common Shares;

- (d) the aggregate number of Common Shares reserved for issuance, within a one-year period, to all Investor Relations Service Providers (as such term is defined in the policies of the Exchange) may not exceed 2% of the Common Shares;
- (e) Options granted to any Investor Relations Service Provider must vest in stages over a period of not less than one-year such that:
 - i. no more than $\frac{1}{4}$ of the Options vest no sooner than three months after the Options were granted;
 - ii. no more than another $\frac{1}{4}$ of the Options vest no sooner than six months after the Options were granted;
 - iii. no more than another $\frac{1}{4}$ of the Options vest no sooner than nine months after the Options were granted; and
 - iv. the remainder of the Options vest no sooner than one-year after the Options were granted.
- (f) the maximum number of Common Shares reserved for issuance pursuant to Options granted to Insiders at any time may not exceed 10% of the number of Common Shares;
- (g) the maximum number of Common Shares which may be issued to Insiders, within a one-year period, may not exceed 10% of the number of Common; and
- (h) the maximum number of Common Shares which may be issued to any one Insider and the Associates of such Insider, within a one-year period, may not exceed 5% of the number of Common Shares.

5. Exercise Price

The exercise price of the Common Shares covered by each Option shall be determined by the Committee when such Option is granted. The exercise price shall be not less than the price permitted by the policy or policies of the Exchange or other stock exchanges on which the Common Shares of the Corporation are listed.

In the event that the Corporation proposes to reduce the exercise price or extend the term of Options granted to an Optionee who is an Insider of the Corporation at the time of the proposed amendment, said amendment shall not be effective until disinterested shareholder approval has been obtained in respect of the exercise price reduction.

6. Vesting

The Committee may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, subject to Section 4(e).

7. Option Period, Consideration and Payment

- (a) The period within which such Option shall be exercised (the "Option Period") shall be a period of time fixed by the Committee, not to exceed ten (10) years from the date the Option is granted, provided that the Option Period shall be reduced with respect to any Option as provided in Sections 8 and 9.
- (b) Options that have vested may be exercised in whole or in part at any time and from time to time during the Option Period. To the extent required by the Exchange or any other stock exchange(s) on which the Common Shares of the Corporation are listed, no Option may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.
- (c) Except as set forth in Sections 8 and 9, no Option may be exercised unless the Participant is at the time of such exercise a director, officer, manager, consultant or employee of the Corporation

or a Subsidiary and where the Option has been granted for a specific service, the Option may be exercised only upon completion of that service.

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

8. Ceasing To Be a Director, Officer, Manager, Employee or Consultant

- (a) If a Participant shall cease to be an employee, manager, officer or director of the Corporation or a Subsidiary as a result of their resignation from the Corporation, they may, but only within a period of 10 days following their ceasing to be an employee, manager, officer and/or director, exercise their Options to the extent that they were entitled to exercise them at the date of such cessation.
- (b) If a Participant shall cease to be an employee, manager, officer or director of the Corporation or a Subsidiary for any reason other than death, disability, resignation or termination for cause, they may, but only within a period of 30 days following their ceasing to be an employee, manager, officer and/or director, exercise their Options to the extent that they were entitled to exercise them at the date of such cessation.
- (c) If a Participant shall cease to be a consultant (excluding consultants that are Investor Relations Service Providers) to the Corporation or a Subsidiary for any reason other than death, disability or termination for cause, they may, but only within a period of 30 days following their ceasing to be a consultant, exercise their Options to the extent that they were entitled to exercise them at the date of such cessation.
- (d) If a Participant shall cease to be an employee, manager, officer, director or consultant of the Corporation or a Subsidiary, as a result of being dismissed from employment for cause or terminated for various contractual reasons, their Options will immediately terminate, without right to exercise same, and shall be of no further force or effect.
- (e) Notwithstanding the foregoing, the Board of Directors shall have the discretion to amend the date upon which such Options will terminate, on a case by case basis, but in all cases such Options shall terminate within a reasonable period, not exceeding one-year.

9. Death and/or Disability of Participant

In the event of the death or disability of a Participant, the Option previously granted to them shall be exercisable only within the one-year next succeeding such death or disability and then, in the case of death of the Participant, only:

- (a) By the person or persons to whom the Participants rights under the Option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) If and to the extent that they were entitled to exercise the Option at the date of their death.

10. Rights of Optionee

No person entitled to exercise any Option granted under this Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Common Shares issuable upon exercise of such Option until certificates representing such Common Shares shall have been issued.

11. Proceeds from Sale of Shares

The proceeds from sale of Common Shares issued upon the exercise of Options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the board of directors may determine and direct.

12. Adjustments

In the event that the outstanding Common Shares of the Corporation are changed into or exchanged for a different number or kind of shares or other securities of the Corporation, or in the event that there is a reorganization, amalgamation, consolidation, subdivision, reclassification, dividend payable in capital stock or other change in the capital stock of the Corporation, then each Participant holding an Option shall thereafter upon the exercise of the Option granted to them, be entitled to receive, in lieu of the number of Common Shares to which the Participant was theretofore entitled upon such exercise, the kind and amount of shares or other securities or property which the Participant would have been entitled to receive as a result of any such event if, on the effective date thereof, the Participant had been the holder of the Common Shares to which they was theretofore entitled upon such exercise.

13. Termination of Option in the Event of Take-Over Bid

In the event a take-over bid (as defined in the *Securities Act* (Alberta), which is not exempt from the takeover bid requirements of Part 14 of the *Securities Act* (Alberta) (or its replacement or successor provisions) shall be made for the Common Shares of the Corporation, the Corporation may determine that the Optionee shall have the right to exercise the Option to purchase all of the shares Optioned but only if the shares may only be purchased for tender or exchange pursuant to the take-over bid and any unexercised Options terminate upon completion of the take-over bid. If for any reason the shares are not tendered or exchanged for any reason, all the shares shall be cancelled and returned to treasury, shall be added back to the number of shares remaining unexercised under the Option and the Corporation shall refund to the Optionee all of the consideration paid by the Optionee.

14. Transferability

All benefits, rights and Options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein. During the lifetime of a Participant any benefits, rights and Options may only be exercised by the Participant.

15. Amendment and Termination of Plan

The Committee may amend or discontinue the Plan at any time, provided that no such amendment may, without the consent of the Optionee, alter or impair any Option previously granted to an Optionee under the Plan, and provided further that any amendment to the Plan will, except as otherwise provided by the policies of the Exchange, require shareholder approval and the prior consent of the Exchange, or such other or additional stock exchange on which the Common Shares are listed for trading.

16. Common Shares Duly Issued

Common Shares issued upon the exercise of an Option granted hereunder will be validly issued and allotted as fully paid and non-assessable upon receipt by the Corporation of the Exercise Price therefore in accordance with the terms of the Option, and the issuance of Common Shares thereunder will not require a resolution or approval of the Board of Directors of the Corporation.

17. Necessary Approvals

The obligation of the Corporation to issue and deliver shares in accordance with the Plan is subject to any approvals that may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any Option exercise price paid to the Corporation will be returned to the Participant.

18. Stock Exchange Rules

The rules of any stock exchange upon which the Corporation's Shares are listed shall be applicable relative to Options granted to Participants.

19. Bona Fide Representations

The Corporation is representing herein and in the applicable Option agreement that each Participant shall be a bona fide director, officer, manager, consultant or employee of the Corporation or a Subsidiary, and each Participant shall be deemed to make such applicable representation herein and in the applicable Option agreement upon their acceptance of any Options.

20. Definitions

In this Plan, capitalized terms used herein that are not otherwise defined herein shall have the meaning ascribed thereto in the Corporate Finance Manual of the Exchange, and in particular, in policies 1.1 and 4.4 of said Corporate Finance Manual.

21. Effective Date and Prior Plans

Subject to the receipt of shareholder approval, this Plan shall come into force and effect on September 26, 2024 and entirely replaces and supersedes prior share option plans enacted by the Board of Directors of the Corporation, or its predecessor corporations. Options granted under any prior share option plans shall be administered in accordance with the provisions of this Plan. Subject to the agreement of a holder of options granted under any prior share option plans, the options of such holder shall be amended by the adoption of this Plan to extend the period during which such options may be exercised.

22. Interpretation

The Plan will be governed by and construed in accordance with the laws in force in the Province of Alberta.