



NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

2023

LETTER TO SHAREHOLDERS OF POLARIS RENEWABLE ENERGY INC.

May 19, 2023

Dear Shareholder:

The board of directors (the “**Board**”) and management of Polaris Renewable Energy Inc. (the “**Corporation**”) hereby invite you to attend the 2023 Annual and Special Meeting of Shareholders (the “**Meeting**”) to be held in a virtual-only format on June 22, 2023 at 9:00 a.m. (Toronto time), which will be conducted via live webcast. Shareholders will have the opportunity to participate at the Meeting online regardless of their geographic location.

Registered shareholders and duly appointed proxyholders will be able to attend, submit questions and vote at the Meeting online at <https://web.lumiagm.com/427962771> password: “polaris2023”. Non-registered (beneficial) shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but guests will not be able to vote or ask questions at the Meeting. A summary of the information that shareholders will need to attend and vote at the Meeting online can be found in the notice of annual and special meeting of shareholders of the Corporation and the accompanying management information circular.

The notice of annual and special meeting of shareholders of the Corporation and the accompanying management information circular describe the business to be conducted at the Meeting, provide information on director and executive compensation, and explain the Corporation’s governance practices. At the Meeting, shareholders will be asked to consider (i) the election of directors, (ii) the reappointment of the Corporation’s auditors, (iii) the authorization for the Board to determine the number of directors, and (iv) the ratification and approval of an advanced notice by-law.

Please take the time to review this circular and execute your vote on the business items of the Meeting. Your vote and participation are very important. Regardless of whether you plan to attend the Meeting, please participate by completing and sending us the enclosed proxy (full voting instructions are provided inside).

On behalf of the Corporation, I would like to thank all shareholders for their ongoing support.

Yours very truly,

(signed) “Marc Murnaghan”

Marc Murnaghan
Chief Executive Officer

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares in the capital of Polaris Renewable Energy Inc. (the “**Corporation**” or “**Polaris**”) will be held at 9:00 a.m. (Toronto time) on June 22, 2023 for the following purposes:

1. to receive the consolidated financial statements of the Corporation for the year ended December 31, 2022, together with the report of the auditors thereon;
2. to elect directors of the Corporation;
3. to reappoint PricewaterhouseCoopers LLP, Chartered Accountants, as the auditors of the Corporation and to authorize the directors of the Corporation to fix their remuneration;
4. to consider and, if thought appropriate, to pass, with or without variation, a special resolution, to authorize the board of directors of the Corporation (the “**Board**”) to set the number of directors from time to time within the minimum and maximum number of directors set forth in the articles of the Corporation, in accordance with Section 125(3) of the *Business Corporations Act* (Ontario), as more fully described in the accompanying management information circular dated May 19, 2023 (the “**Circular**”);
5. to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution ratifying and approving the amendment to the Corporation’s By-Law No. 1 to include an advance notice requirement as more fully described in the Circular; and
6. to transact such other business as may be properly brought before the Meeting or any postponement or adjournment thereof.

The Corporation is holding the Meeting as a virtual only meeting, which will be conducted via live webcast, where all Shareholders regardless of geographic location and equity ownership will have an equal opportunity to participate at the Meeting. As the Meeting will be in virtual-only format, Shareholders will not be able to attend the Meeting in person. Registered Shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at <https://web.lumiagm.com/427962771> password: polaris2023. Non-registered Shareholders (being Shareholders who hold their shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) who have not duly appointed themselves as proxyholder will not be able to attend, participate or vote at the Meeting.

This notice is accompanied by a form of proxy, a supplemental mailing return list card and request for paper copies. Reference should be made to the Circular, which provides information relating to the matters to be dealt with at the Meeting and forms part of this notice.

Notice-and-Access

The Corporation is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of Meeting materials to registered and beneficial Shareholders.

Website Where Meeting Materials are Posted

The Notice-and-Access Provisions are a set of rules that allow reporting issuers to post electronic versions of proxy-related materials and annual financial statements (including management proxy circulars) on-line, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the Circular, the annual audited consolidated financial statements of the Corporation for the year ended December 31, 2022 (“**Financial Statements**”) and management’s discussion and analysis of the Corporation’s results of operations and financial condition for the year ended December 31, 2022 (“**MD&A**”) may be found on the Corporation’s SEDAR profile at www.sedar.com and the Corporation’s website at <https://polarisrei.com>. The Corporation will not use the procedures known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to some Shareholders with the notice package.

Obtaining Paper Copies of Materials

The Corporation anticipates that using the Notice-and-Access Provisions for delivery will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. Shareholders with fulfilment requests can call our transfer agent, TSX Trust Company ("**TSX Trust**"), toll-free at 1-888-433-6443 or send an e-mail to tsxt-fulfilment@tmx.com. Shareholders may also obtain paper copies of the Circular, Financial Statements and MD&A free of charge by contacting TSX Trust at the same toll-free number or upon request to the Corporation's Corporate Secretary at +1 647-245-7199 (which is not a toll-free number) or by email at info@Polarisrei.com.

Voting

Registered Shareholders who are unable to attend the Meeting online are requested to complete, date, sign and return the proxy form to TSX Trust, by mail, at Proxy Department, P.O. Box 721, Agincourt, ON M1S 0A1, or by Fax: 416-595-9593 no later than 9:00 a.m. (Toronto time) on June 20, 2023 or, if the Meeting is adjourned or postponed, no later than 48 hours prior to the time of such postponed or adjourned meeting (excluding Saturdays, Sundays and holidays).

Non-registered Shareholders receiving these materials through their broker or other intermediary should complete and return the voting instruction form provided to them by their broker or other intermediary in accordance with the instructions provided therein, or otherwise follow the instructions provided by their broker or other intermediary.

Please review the Circular prior to voting.

The Board has fixed the close of business on May 3, 2023 as the record date for the determination of Shareholders entitled to notice of, and to vote at, the Meeting, and any adjournment or postponement thereof.

DATED this 19th day of May, 2023.

By order of the Board,

(signed) "Marc Murnaghan"

Marc Murnaghan
Chief Executive Officer

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Part One - Cautionary Statement with Respect to Forward Looking Statements

This management information circular (the “**Circular**”) contains certain forward-looking information within the meaning of applicable Canadian securities law (“forward-looking statements”) which may include, but are not limited to, statements with respect to future events or future performance and management’s expectations regarding: Polaris Renewable Energy Inc.’s (the “**Corporation**” or “**Polaris**”) growth, and results of operations, performance, business prospects and opportunities, the authorization of the board of directors of the Corporation (the “**Board**”) to elect directors by way of director resolution, the ratification and approval of the By-Law Amendment (as defined herein), the Corporation’s environmental, social and governance practices, and the committees of the Corporation and their roles in the governance of the Corporation. Such forward-looking statements reflect management’s current beliefs and is based on information currently available to management. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “predicts”, “intends”, “targets”, “aims”, “anticipates” or “believes” or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. A number of known and unknown risks, uncertainties and other factors, may cause the actual results or performance to materially differ from any future results or performance expressed or implied by the forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current geothermal and hydro energy production, development and/or exploration activities and the accuracy of probability simulations prepared to predict prospective geothermal resources; changes in project parameters as plans continue to be refined; possible variations of production rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the geothermal and hydro power industries; political instability or insurrection or war; labour force availability and turnover; delays in obtaining governmental approvals or in the completion of development or construction activities, or in the commencement of operations; the ability of the Corporation to continue as a going concern and general economic conditions, as well as those factors discussed in the section entitled “Risk Factors” in the Corporation’s Annual Information Form dated February 23, 2023 and filed on Electronic Document Analysis and Retrieval (“**SEDAR**”). The following Circular should be read in conjunction with the audited consolidated financial statements, annual information form and the annual management’s discussion and analysis of the Corporation filed on SEDAR at www.sedar.com.

General Information

The information contained in this Circular is presented as at May 3, 2023, unless otherwise indicated herein, and is furnished in connection with the solicitation of proxies by or on behalf of management of the Corporation for use at the annual and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares in the capital of the Corporation (the “**Common Shares**”) to be held on June 22, 2023 at 9:00 a.m. (Toronto time). The Meeting will be held as a virtual only meeting, which will be conducted via live webcast. Shareholders will not be able to attend the Meeting in person. A summary of the information Shareholders will need to attend the Meeting online is provided below. In this document, “you” and “your” refer to the Shareholders, and “we”, “us” and “our” refer to the Corporation.

Who can vote?

Shareholders who are registered at the close of business on May 3, 2023 (the “**record date**”) will be entitled to vote at the Meeting online or at any adjournment or postponement thereof. As of the close of business on May 3, 2023, there were 21,025,774 Common Shares issued and outstanding. Each Common Share entitles the holder thereof to one (1) vote at the Meeting.

What information is in this Circular?

This Circular contains the information we are required by law to provide to you as well as other information we believe may be useful to you in order for you to make a well-informed decision when you vote on the matters put forth at the Meeting. Such information includes, but is not limited to, director personal information, director compensation, meeting information for the Board and Board committees, our compensation philosophy, our performance, and our named executive officers’ compensation, information relating to certain governance matters, as well as information relating to the specific matters to be considered at the Meeting. All references to dollars and compensation amounts in this Circular are to U.S. dollars unless otherwise indicated.

What will I be voting on?

Shareholders will be voting to (i) elect directors of the Corporation, (ii) reappoint PricewaterhouseCoopers LLP as the auditors of the Corporation and approve their remuneration for the upcoming year, (iii) authorize the Board to determine the number of directors (the “**Director Determination**”), and (iv) ratify and approve the amendment to the Corporation’s By-Law No. 1 to include an advance notice requirement (the “**By-Law Amendment**”).

How will these matters be decided at the Meeting?

All of the matters to be considered at the Meeting, except for the Director Determination, are to be approved by ordinary resolutions. The Director Determination must be approved by special resolution. Approval by ordinary resolution requires that a simple majority of the votes cast in respect of a resolution by or on behalf of the Shareholders present online or represented by proxy at the Meeting be voted in favour of the resolution. Approval by special resolution requires that two thirds (2/3 or 66.6%) of the votes cast in respect of a resolution by or on behalf of the Shareholders present online or represented by proxy at the Meeting be voted in favour of the resolution.

Who is soliciting my proxy?

The solicitation of proxies by this Circular is being made by or on behalf of the management of the Corporation. Proxies will be solicited primarily by mail, but may also be solicited personally, by telephone, or by facsimile by the regular employees of the Corporation at nominal costs, which shall be borne by the Corporation.

Who may I call with questions?

If you have questions about the information contained in this Circular or require assistance in completing your form of proxy, please contact the Corporate Secretary of Polaris, at +1 647-245-7199 or by email at info@Polarisrei.com.

How can I contact the transfer agent?

You can contact the Corporation’s transfer agent by mail at TSX Trust Company (“**TSX Trust**”), at Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, by telephone at 1-800-387-0825, or by e-mail at shareholderinquiries@tmx.com

How do I vote?

If you are eligible to vote and your Common Shares are registered in your name, you can vote your Common Shares by completing a ballot online during the Meeting, or by proxy as explained below. If your Common Shares are held in the name of a nominee, please see the instructions below under “How do I vote if I am a non-registered Shareholder.”

How do I attend and vote at the virtual-only Meeting if I am a registered Shareholder?

The Corporation is holding the Meeting as a virtual only meeting, which will be conducted via live webcast. Shareholders will not be able to attend the Meeting in person.

Registered Shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at <https://web.lumiagm.com/427962771>. Such persons may enter the Meeting by clicking “I have a control number” and entering a valid control number and the Password: “polaris2023” (case sensitive) before the start of the Meeting. Guests, including non-registered (beneficial) Shareholders who have not duly appointed themselves as a proxyholder, can login to the meeting by clicking “I am a guest” and completing the online form.

If you attend the Meeting online, is it important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. You should ensure you have a strong, preferably high-speed, internet connection wherever you intend to participate in the Meeting. The Meeting will begin promptly at 9:00 a.m. (Toronto time) on June 22, 2023, unless otherwise adjourned or postponed. Online check-in will begin one hour prior to the Meeting, at 8:00 a.m. (Toronto time). You should allow ample time for online check-in procedures. For any technical difficulties experienced during the check-in process or during the Meeting, please see <https://go.lumiglobal.com/faq> for frequently asked questions and click on the support button for assistance.

(a) Voting Online

You are a registered Shareholder if your name appears on your share certificate. If this is the case, you may attend and vote online at the Meeting. Simply login to the Meeting and complete a ballot online during the Meeting. The control number located on the proxy form or in the email notification you received is your control number for purposes of logging in to the Meeting.

(b) Voting by Proxy

As a registered Shareholder, you may also appoint someone else as your proxy holder to attend and vote at the Meeting online by using the enclosed form of proxy. The persons currently named as proxies in such form of proxy are the Chief Executive Officer and Chief Financial Officer of the Corporation. **A Shareholder has the right to appoint a person or company (who need not be a Shareholder) other than the persons designated in the enclosed form of proxy to attend the Meeting and to vote and act for and on behalf of such Shareholder at the Meeting, and any adjournment or postponement thereof. Shareholders who wish to appoint a third-party proxyholder to represent them at the Meeting MUST submit their form of proxy appointing that third-party proxyholder AND register that third-party proxyholder online, as described below. Registering your third-party proxyholder is an additional step to be completed AFTER you have**

submitted your form of proxy. Failure to register the proxyholder will result in the proxyholder not receiving a control number that is required for them to vote at the Meeting.

Step 1: Submit your form of proxy - To appoint a third-party proxyholder, insert such person's name in the blank space provided in the form of proxy and follow the instructions for submitting such proxy. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy.

Step 2: Register your proxyholder - To register a third-party proxyholder, Shareholders must call TSX Trust at 1- 866-751-6315 by 9:00 a.m. (Toronto Time) on June 20, 2023, or, if the meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time and date of the adjourned or postponed Meeting, and provide TSX Trust with the required proxyholder contact information so that TSX Trust may provide the proxyholder with a control number via email. Without a control number, proxyholders will not be able to vote or ask questions at the meeting but will be able to participate as a guest.

• **How can I send in my form of proxy?**

Registered Shareholders who cannot attend and vote at the Meeting are urged to complete, sign, date and return the enclosed proxy form in one of the manners set out in the form of proxy. Only persons that were Shareholders as at the close of business on the record date are entitled to attend and vote, or appoint a proxy holder to attend and vote at the Meeting.

• **What is the deadline for receiving the form of proxy?**

The deadline for receiving duly completed forms of proxy is 9:00 a.m. (Toronto time) on June 20, 2023, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjourned or postponed Meeting.

• **How will my Common Shares be voted if I give my proxy?**

Your Common Shares will be voted or withheld from voting in accordance with your instructions indicated on the proxy. If no instructions are indicated, the Common Shares represented by such proxy will be voted FOR or IN FAVOUR of each matter identified in the Meeting Notice. The enclosed form of proxy confers discretionary authority upon the persons named in the form of proxy with respect to amendments to or variations of matters identified in the Meeting Notice and with respect to other matters, if any, which may properly come before

the Meeting. As at the date of this Circular, the management of the Corporation knows of no such amendments, variations, or other matters to come before the Meeting, other than the matters referred to in the Meeting Notice. However, if any other matters which at present are not known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxy.

- **If I change my mind, how can I revoke my proxy?**

A registered Shareholder who has given a proxy may revoke it (a) by depositing an instrument in writing executed by such Shareholder or by such Shareholder's attorney authorized in writing, or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing (i) at the offices of TSX Trust, by mail at Proxy Department, P.O. Box 721, Agincourt, ON M1S 0A1 at any time up to 9:00 a.m. (Toronto time) on the second business day preceding the date of the Meeting or any adjournment or postponement thereof or (ii) with the chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment or postponement thereof by e-mailing the chairman at info@Polarisrei.com; or (b) in any other manner permitted by law.

If you login to the Meeting using your control number and you accept the terms and conditions, you will be revoking any and all previously submitted proxies and will be provided the opportunity to vote online by ballot.

How do I vote if I am a non-registered Shareholder?

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. In many cases, however, Common Shares beneficially owned by a person (a **"Non-Registered Holder"**) are registered either:

- (a) in the name of an intermediary such as a bank, trust company, securities dealer, trustee or administrator of self-administered RRSPs, RRI's, RESP's and similar plans (each an **"Intermediary"**) that represents the Non-Registered Holder in respect of its Common Shares; or
- (b) in the name of a depository (a **"Depository"**, such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 - Communication with Beneficial Owners of Securities of a Reporting Issuer (**"NI 54-101"**), the Corporation will have distributed copies of the Meeting Materials (as defined herein) to the

Intermediaries for onward distribution to Non-Registered Holders. The Corporation is not using the notice-and-access delivery procedures defined under NI 54-101 and National Instrument 51-102 - Continuous Disclosure Obligations (**"NI 51-102"**) as a means of sending the Meeting Materials to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive such materials. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive the Meeting Materials will receive a package from their Intermediary containing either:

- (a) a voting instruction form that must be properly completed and signed by the Non-Registered Holder and returned to the Intermediary in accordance with the instructions on the voting instruction form;

or, less typically,

- (b) a form of proxy that has already been stamped or signed by the Intermediary that is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which otherwise has not been completed. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the form of proxy and deposit it with TSX Trust at the address set forth in the Meeting Notice.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of Common Shares that they beneficially own. Should a Non-Registered Holder, who receives either a voting instruction form or a form of proxy, wish to attend and vote at the Meeting online (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and service companies. If you are a Non-Registered Holder and have not received a package containing a form of proxy or voting instruction form, please contact your Intermediary. The Corporation does not intend to pay for Intermediaries to forward to objecting beneficial owners under NI 54-101 the Meeting Materials and Form 54-101F7 - *Request for Voting Instructions Made by Intermediary*. The objecting beneficial owners will not receive the Meeting Materials unless the objecting

beneficial owner's Intermediary assumes the cost of delivering the Meeting Materials.

A Non-Registered Holder may revoke a proxy or voting instruction form which has been given to an Intermediary by written notice to the Intermediary or by submitting a proxy or voting instruction form bearing a later date. In order to ensure that an Intermediary acts upon a revocation of a proxy or voting instruction form, the written notice should be received by the Intermediary well in advance of the Meeting.

How can a Non-Registered Holder Appoint a Third-Party Proxy

A Non-Registered Holder has the right to appoint a person or company (who need not be a Shareholder) other than the persons designated in the voting instruction form to attend the Meeting and to vote and act for and on behalf of such Shareholder at the Meeting, and any adjournment or postponement thereof. Non-Registered Holders who wish to appoint a third-party proxyholder to represent them at the Meeting **MUST** submit their voting instruction form appointing that third-party proxyholder **AND** register that third-party proxyholder online, as described below. Registering your third-party proxyholder is an additional step to be completed **AFTER** you have submitted your voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a control number that is required for them to vote at the Meeting.

Step 1: Submit your voting instruction form - To appoint a third-party proxyholder, insert such person's name in the blank space provided in the voting instruction form and follow the instructions for submitting such proxy. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your voting instruction form.

Step 2: Register your proxyholder - To register a third-party proxyholder, Non-Registered Holders must call TSX Trust at 1-866-751-6315 by 9:00 a.m. (Toronto Time) on June 20, 2023, or, if the meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time and date of the adjourned or postponed Meeting, and provide TSX Trust with the required proxyholder contact information so that TSX Trust may provide the proxyholder with a control number via email. Without a control number, proxyholders will not be able to vote or ask questions at the meeting but will be able to participate as a guest.

How can a Non-Registered Holder Appoint Himself or Herself as Proxy

If you are a Non-Registered Holder and wish to vote at the meeting, you have to insert your own name in the

space provided on the voting instruction form sent to you by your intermediary, follow all of the applicable instructions provided by your intermediary **AND** register yourself as your proxyholder, as described above. By doing so, you are instructing your intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary.

Meeting Materials

(i) Notice-and-Access

The Corporation has decided to use the notice and access mechanism (the "**Notice-and-Access Provisions**") under NI 54-101 for the delivery of the Circular, the annual audited consolidated financial statements of the Corporation for the year ended December 31, 2022 ("**Financial Statements**") and management's discussion and analysis of the Corporation's results of operations and financial condition for the year ended December 31, 2022 ("**MD&A**") (collectively, the "**Meeting Materials**") to Shareholders for the Meeting. The Corporation has adopted this alternative means of delivery in order to further its commitment to environmental sustainability and to reduce its printing, materials and mailing costs.

Under the Notice and Access Provisions, instead of receiving printed copies of the Meeting Materials, Shareholders will receive a notice ("**Notice**") with information on the Meeting date, location and purpose, as well as information on how they may access the Meeting Materials electronically and how they may vote. Meeting Materials may be found on the Corporation's SEDAR profile at www.sedar.com and the Corporation's website at <https://polarisrei.com/>.

The Corporation will not use the procedures known as "stratification" in relation to the use of Notice-and-Access Provisions meaning that all shareholders will a Notice in accordance with the Notice-and-Access Provisions.

(ii) Requesting Printed Meeting Materials

Shareholders can request that printed copies of the Meeting Materials be sent to them by postal delivery at no cost to them up to one year after the date the Circular was filed on SEDAR by calling our transfer agent, TSX Trust, toll-free at 1-888-433-6443 or by e-mail at tsxt-fulfilment@tmx.com or upon request to the Corporation's Corporate Secretary at +1 647-245-7199 (which is not a toll free number) or by email at info@Polarisrei.com.

Shareholders can also request paper copies in advance of the Meeting, the full details of which are set out on the accompanying Notice of Meeting under the heading "*Obtaining Paper Copies of Materials*".

Voting Securities and Principal Holders of Voting Securities

As of the close of business on the record date, there were 21,025,774 issued and outstanding Common Shares, being the only class of shares outstanding and entitled to vote at the Meeting. Each Shareholder on the record date will be entitled to one (1) vote for each Common Share held by such holder on all matters proposed to come before the Meeting. The Corporation has made a list of all persons who are registered holders of Common Shares as of the close of business on the record date, and the number of Common Shares registered in the name of each person on that date.

To the knowledge of the directors and executive officers of the Corporation, no persons, firms or corporations beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the total number of issued and outstanding Common Shares.

Part Two – Business of the Meeting

Annual Business of the Meeting

Approval of Financial Statements

The Board has approved the Financial Statements, copies of which have been delivered to registered Shareholders.

Nominees for Election to the Board of Directors

The tables below set forth the following information for each individual that the Corporation has nominated for election as a director: (i) name, positions held with the Corporation, municipality of residence and age; (ii) period of service as a director of the Corporation, if any; (iii) whether such individual has been determined by the Board to be independent (see a discussion of independence below under the heading “*Statement of Corporate Governance Practices*”); (iv) the principal occupation, and other biographical information of each nominee indicating the experience and qualifications of each nominee to serve as a director of the Corporation; (v) membership on committees of the Board and attendance at meetings of the Board and such committees during the year ended December 31, 2022, as applicable; and (vi) the number of Common Shares that are beneficially owned, controlled or directed by each nominee as of the date of this Circular, and the number of Common Shares that are subject to unexercised options or other awards granted under the Corporation’s Omnibus Long-Term Incentive Plan dated June 18, 2012, as amended and restated on June 20, 2017 and June 24, 2021 (the “**Omnibus Plan**”) (see the description of the Omnibus Plan contained in Appendix C to the Circular) or other convertible securities beneficially owned, controlled or directed as of the date of this Circular. All current directors of the Corporation hold a term that ends at the close of the Meeting and all nominated directors who are elected at the Meeting will hold a term that will end at the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed, or until a director vacates his office or is replaced in accordance with the articles of the Corporation.

Jaime Guillen Chair of the Board Age: 61 Residence: London, United Kingdom Director Since: May 2015 Independent	Mr. Guillen is the Managing Partner at Faros Infrastructure Partners LLC (“ FIP ”), an investment firm with offices in United Kingdom and United States. He has over 25 years of experience in the development, investment, financing, management and divestiture of energy and infrastructure projects. His experience ranges across Europe, North & Latin America, Middle East, and Asia and includes significant dealings with investors, developers, governments, and industry players. He serves on the investment and asset management committees of the various energy and infrastructure funds in Latin America managed by FIP’s affiliate, Mexico Infrastructure Partners. He also serves as a director of the Board and chairman of the Audit Committee of Gevo, Inc. Mr. Guillen previously served as the Chief Executive Officer of Alterra Partners, an investment joint venture between Singapore Changi Airport and Bechtel, a United States engineering company. He also previously served as the Managing Director of Bechtel Enterprises in Latin America, President of Bechtel Enterprises in Brazil, and Director of Bechtel Enterprises of Mexico – responsible for developing, investing in, and managing infrastructure investments. Mr. Guillen earned a BS in Nuclear Engineering from Massachusetts Institute of Technology and an MBA from Stanford University.
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2022 Committee Memberships:		Audit Committee Human Resources and Environmental, Social and Governance Committee	
Securities beneficially owned, controlled or directed, at the date hereof:		Meeting Attendance in 2022:	
Common Shares	Securities Convertible into Common Shares	Board	Committees
9,616	5,479 DSUs	4	Audit Committee 4 Human Resources and Environmental, Social and Governance Committee 4

James V. Lawless Director Age: 72 Residence: Auckland, New Zealand Director Since: March 2011 Independent		Mr. Lawless was a Geothermal Practice Leader with Sinclair Knight Mertz Pty Ltd. ("SKM") from 2008 through 2010. Mr. Lawless was an Earth Science Manager with Kingston Morrison Limited from 1993 through 1999. Mr. Lawless worked for KRTA Limited as a Senior Geologist from 1985 through 1993.	
2022 Committee Memberships:		Audit Committee Human Resources and Environmental, Social and Governance Committee	
Securities beneficially owned, controlled or directed, at the date hereof:		Meeting Attendance in 2022:	
Common Shares	Securities Convertible into Common Shares	Board	Committees
4,693	5,479 DSUs	4	Audit Committee 4 Human Resources and Environmental, Social and Governance Committee 4

Marc Murnaghan Director Age: 51 Residence: Ontario, Canada Director Since: May 2015 Not Independent		Mr. Murnaghan has an Honours of Business Administration (HBA) from the University of Western Ontario. Mr. Murnaghan has been Chief Executive Officer of Polaris since May 13, 2015. Mr. Murnaghan has over 20 years of experience in the investment banking business and was Co-Head of the Investment Banking group at Cormark Securities Inc. Prior to his role as Co-Head of Investment Banking, Mr. Murnaghan ran the Power and Alternative Energy group where he advised and raised capital for companies in the sector in areas such as solar, wind, hydro, geothermal, biomass, power electronics, battery technologies and fuel cells. Mr. Murnaghan was formerly Chair of the Board of Autism Speaks Canada for more than 10 years.	
2022 Committee Memberships:		None	
Securities beneficially owned, controlled or directed, at the date hereof:		Meeting Attendance in 2022:	

Common Shares	Securities Convertible into Common Shares	Board	Committees
487,923	-	4	N/A

Marcela Paredes de Vásquez Director Age: 60 Residence: Panama City, Republic of Panama Director Since: June 2019 Independent		Ms. Paredes de Vásquez is currently Titular Professor at the Technological University of Panama. She was previously the Ambassador of Panama to Chile, a post she held from October 2018 until July 2019. Prior to this, Ms. Paredes de Vásquez was the Minister of Education for Panama from 2014 through 2018, and held various positions, including President, at the Technological University of Panama from 1989 through 2013. Ms. Paredes de Vásquez holds a DHL from Wilkes University, a MS in Electric Power Engineering from Rensselaer Polytechnic Institute, and a BS in Electromechanical Engineering from Technological University of Panama.	
2022 Committee Memberships:		Audit Committee Human Resources and Environmental, Social and Governance Committee (Chair)	
Securities beneficially owned, controlled or directed, at the date hereof:		Meeting Attendance in 2022:	
Common Shares	Securities Convertible into Common Shares	Board	Committees
-	6,531 DSUs	4	Audit Committee
			Human Resources and Environmental, Social and Governance Committee

Catherine Fagnan Age: 45 Residence: Ontario, Canada Director Since: N/A Independent		On December 1, 2022, Ms. Fagnan joined Polaris as a consultant to the Board. Ms. Fagnan is Associate General Counsel at Green Infrastructure Partners where she leads the legal group and is a member of the Executive Team. Green Infrastructure Partners is a large and diverse Canadian infrastructure company that offers vertically integrated solutions for public and private projects of varying size and scale. Prior to this role, Ms. Fagnan was Associate General Counsel with TELUS Communications; Senior Counsel at Lafarge Canada (Holcim); and senior business and tax law associate at McCarthy Tetrault LLP. Ms. Fagnan is trilingual and holds a joint MBA from Kellogg Schulich as well as her ICD.D designation obtained from the Rotman/Institute of Corporate Directors program. Ms. Fagnan's areas of expertise range from navigating regulated environments, M&A, negotiating sensitive corporate and commercial agreements, competition law, litigation, ethics & compliance, and corporate governance. Ms. Fagnan is actively involved in diversity initiatives to promote, amongst other things, the inclusion and retention of women within the construction industry. Ms. Fagnan sat on the board of Comtech Fire Credit Union (Audit and Human Resources/Compensation Committees) from 2021 to April 2023. In 2021, Ms. Fagnan became a limited partner in the	
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		newly formed Women's Equity Lab (WEL) fund (Toronto), which purpose is to invest in new ventures with other female investors		
2022 Committee Memberships:		N/A		
Securities beneficially owned, controlled or directed, at the date hereof:		Meeting Attendance in 2022:		
Common Shares	Securities Convertible into Common Shares	Board	Committees	
-	-	N/A	N/A	N/A

Adarsh P. Mehta Age: 50 Residence: Ontario, Canada Director Since: N/A Independent		Ms. Mehta is VP of Business Development for Jenner Renewable Consulting, where she provides renewable energy analysis to mining companies to assist them in achieving their ESG goals. For the past 20 years Ms. Mehta has led technical reviews, diligence, and development in various capacities on more than 2,000 Megawatts of wind and solar energy projects in North and South America. She also serves as a director of the Board and member of the Audit Committee of a TSX-listed company. Ms. Mehta served as a member of the Board of Directors of the Canadian Wind Energy Association (CanWEA) from 2008-2015. She became Chairperson of the CanWEA Board in 2011 where she spearheaded the promotion and guidance for wind energy growth in Canada. Ms. Mehta is a volunteer and co-founder of My 100 Percent, a registered Canadian charity which assists disadvantaged children and women globally to rise out of poverty. Ms. Mehta holds a Bachelor of Mathematics degree from the University of Waterloo, a Master of Science degree from the University of Alberta, and a joint MBA degree from the Kellogg School of Management and Schulich School of Business.		
2022 Committee Memberships:		N/A		
Securities beneficially owned, controlled or directed, at the date hereof:		Meeting Attendance in 2022:		
Common Shares	Securities Convertible into Common Shares	Board	Committees	
104,000	-	N/A	N/A	N/A

Orders, Bankruptcies, Penalties or Sanctions

As of the date of this Circular, none of the Corporation's directors or proposed directors is or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any corporation (including the Corporation) that (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation (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.

None of the Corporation's directors or proposed directors: (a) is as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any corporation (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or has a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

None of the Corporation's directors or proposed directors have 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 security holder in deciding whether to vote for a proposed director.

Appointment of Auditors

PricewaterhouseCoopers LLP, Chartered Accountants will be proposed by management of the Corporation for re-appointment as auditors of the Corporation, to hold office until the next annual meeting of Shareholders, with their remuneration to be approved by the Board. PricewaterhouseCoopers LLP was first appointed as auditors of the Corporation on September 25, 2015.

Certain information regarding the Audit Committee, including fees paid to the auditors of the Corporation in the recently completed financial year, that is required to be disclosed in accordance with National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") is contained in the Corporation's Annual Information Form for the year ended December 31, 2022, dated February 23, 2023, an electronic copy of which is available on the Corporation's SEDAR profile at www.sedar.com.

In the absence of instructions to the contrary, the Common Shares represented by proxies in favour of management proxyholders will be voted FOR the resolution re-appointing PricewaterhouseCoopers LLP as auditors of the Corporation at remuneration to be approved by the Board.

Approval of the Director Determination

Before its continuance into the Province of Ontario in July 2022, the Corporation was governed by the *Business Corporations Act* (British Columbia) ("**BCBCA**"). The BCBCA permits directors of a corporation to appoint one or more additional directors if the memorandum or articles so provided, subject to certain threshold requirements. Following the Corporation's continuance into the Province of Ontario (the "**Continuance**"), the Corporation is governed by the *Business Corporations Act* (Ontario) (the "**OBCA**"). Pursuant to section 125(3) of the OBCA, if the articles of incorporation of the Corporation (the "**Articles**") provide for a minimum and maximum number of directors, the directors may, if a special resolution of Shareholders so provides, fix the number of directors to be elected at an annual meeting.

In addition, section 124(2) of the OBCA provides that where a special resolution empowers directors to fix the number of directors in accordance with section 125(3) of the OBCA, the directors may appoint one or more directors between annual meetings, to hold office for a term expiring not later than the close of the next annual meeting of Shareholders, but the total numbers so appointed may not exceed one-third of the number of directors elected at the previous annual meeting.

From time to time, the Board identifies an individual who could make a valuable contribution to the Corporation as a director. The Board wishes to have the ability to invite such an individual to join the Board between Shareholders' meetings, without the need to create a vacancy, as this may restrict the Corporation's ability to enhance the Board at the earliest opportunity. By adopting the proposed special resolution, it will be possible to take advantage of opportunities to augment the Board, as deemed appropriate by the Board. At the same time, given the limitation on the number of directors who can be added between meetings and the expiry of the term of such directors at the next annual meeting, Shareholders maintain their control over the composition of the Board.

Director Determination Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve with or without variation, a special resolution to empower the directors to fix the number of directors to be elected within the minimum and maximum number of directors provided for in the Articles (the "**Director Determination Resolution**"). The Director Determination Resolution is a special resolution and, as such, requires approval by not less than two-thirds (66 2/3%)

of the votes cast by the Shareholders present virtually, or represented by proxy, at the Meeting. The full text of the Director Determination Resolution is as follows:

"BE IT RESOLVED, as a special resolution of the shareholders of Polaris Renewable Energy Inc. (the "**Corporation**"), that:

1. pursuant to section 125(3) of the *Business Corporations Act* (Ontario), the directors of the Corporation are hereby empowered to determine from time to time by resolution the number of directors of the Corporation and the number of directors of the Corporation to be elected at annual meetings of the shareholders of the Corporation, within the stated minimum and maximum number of directors provided for in the articles of the Corporation; and
2. any director or officer of the Corporation is hereby authorized to execute (whether under the corporate seal of the Corporation or otherwise) and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable in connection with the foregoing resolutions, the execution of any such document or the doing of any such other act or thing by any director or officer of the Corporation being conclusive evidence of such determination."

The Board unanimously recommends a vote for the Director Determination Resolution. **In the absence of instructions to the contrary, the Common Shares represented by proxies in favour of management proxyholders will be voted FOR the Director Determination Resolution.**

Approval of the By-Law Amendment

On May 3, 2023, the Board approved an amendment to the Corporation's By-Law No. 1 (the "**By-Law Amendment**") to include the Advance Notice Requirement (as defined herein). A copy of the By-Law Amendment is filed under the Corporation's profile on SEDAR at www.sedar.com. In order to remain effective following the Meeting, the By-Law Amendment must be ratified, confirmed and approved by the Shareholders at the Meeting.

Prior to the Continuance, as it is customary in the Province of British Columbia and under the BCBCA, the Corporation's Articles included an advance notice requirement (the "**Advance Notice Requirement**"). The purpose of the Advance Notice Requirement was to provide Shareholders, directors and management of the Corporation with direction on the nomination of directors, among others. However, in the Province of Ontario, the Advance Notice Requirement is not included in the Articles, but instead, is either set out in a policy of the applicable corporation, or more commonly in the by-laws of a corporation.

Similar to the Advance Notice Requirement, the purpose of the By-Law Amendment is to (i) ensure that all Shareholders receive adequate notice of director nominations and sufficient time and information with respect to all nominees to make appropriate deliberations and register an informed vote; and (ii) facilitate an orderly and efficient process for annual or, where the need arises, special meetings of Shareholders. The By-Law Amendment also fixes the deadlines by which Shareholders must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in a written notice to the Corporation for any director nominee to be eligible for election at such annual or special meeting of shareholders.

The following is a brief summary of certain provisions of the By-Law Amendment and is qualified in its entirety by the full text of the By-Law Amendment, which is set out in Appendix "A" of this Circular:

Briefly, the By-Law Amendment:

- provides that advance notice to the Corporation must be given where nominations of persons for election to the board of directors are made by Shareholders other than pursuant to: (i) a "proposal" made in accordance with section 99 of the OBCA; or (ii) a requisition made in accordance with section 105 of the OBCA;
- fixes a deadline by which a registered shareholder may submit director nominations to the Corporation prior to any annual or special general meeting and sets out the specific information that must be included in the written notice to the Corporation for an effective nomination to occur;
- provides that in the case of an annual meeting, notice to the Corporation must be given no fewer than 30 nor more than 65 days prior to the date of the meeting; provided that if the meeting is to be held on a date that is fewer than 50 days after the date on which the first public announcement of the date of the meeting was made, notice may be given no later than the close of business on the 10th day following such public announcement;

- provides that in the case of a special general meeting that is not also an annual meeting, notice to the Corporation must be made no later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made; and
- provides that the Board, in its sole discretion, may waive any requirement of the By-Law Amendment

For the purposes of the By-Law Amendment, “public announcement” means disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on SEDAR at www.sedar.com.

If approved at the Meeting, the By-Law Amendment will continue to be effective in accordance with its terms. The By-Law Amendment will be subject to annual review by the Board, and will be updated from time to time to reflect changes required by securities regulatory agencies or stock exchange, or to conform to industry standards, as determined by the Board. If not approved at the Meeting, the By-Law Amendment will terminate and be of no further force and effect from and after the termination of the Meeting.

By-Law Amendment Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve the By-Law Amendment. The By-Law Amendment must be approved by way of an ordinary resolution, which requires the approval of at least a majority of the votes cast by the Shareholders present virtually, or represented by proxy, at the Meeting (the “**By-Law Amendment Resolution**”). The full text of the By-Law Amendment Resolution is as follows:

“BE IT RESOLVED, as an ordinary resolution of the shareholders of Polaris Renewable Energy Inc. (the “**Corporation**”), that:

1. the amendment to By-Law No. 1 of the Corporation’ (the “**By-Law Amendment**”) as approved by the board of directors of the Corporation (the “**Board**”) on May 3, 2023 and as set forth in the Corporation’s management information circular dated May 19, 2023, be and is hereby ratified, confirmed, authorized and approved;
2. the Board be and is hereby authorized, in its sole discretion, to administer the By-Law Amendment and amend or modify the same from time to time in accordance with the provisions thereof, without further shareholder approval, to reflect the changes required by securities regulatory agencies or stock exchanges, to conform to industry standards, or as otherwise determined to be in the best interests of the Corporation and its shareholders; and
3. any one director or officer of the Corporation be, and each of them is, hereby authorized and directed for and in the name of and on behalf of the Corporation, to execute or cause to be executed, whether under corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this special resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing.”

The Board unanimously recommends a vote for the By-Law Amendment Resolution. **In the absence of instructions to the contrary, the Common Shares represented by proxies in favour of management proxyholders will be voted FOR the By-Law Amendment Resolution.**

Part Three – Statement of Corporate Governance Practices

The Corporation and the Board recognize the importance of corporate governance to the effective management of the Corporation and to the protection of its employees, Shareholders and other stakeholders. The Corporation’s approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Corporation are effectively managed so as to enhance Shareholder value while taking into account the interests of other stakeholders. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* requires the Corporation to disclose its approach to corporate governance. National Policy 58-201 – *Corporate Governance Guidelines* is not intended to be prescriptive, but encourages the Corporation to apply the guidelines set out therein to the development of the Corporation’s governance practices.

Constitution of the Board of Directors

As at the date of the Circular, the Board is comprised of four (4) directors. The composition of the Board reflects a breadth of backgrounds and experience that is important for effective governance and oversight of an international corporation in the geothermal and hydroelectric energy industries. Management and the Board believe that given the

size of the Corporation and the geographic span of its business, it would be appropriate to have six (6) members on the Board. Shareholders will be asked to elect six (6) directors for a term that will end at the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed or until a director vacates his office or is replaced in accordance with the Articles.

In accordance with securities laws applicable in Canada, a director is “independent” if he or she has no direct or indirect material relationship with the Corporation. Applicable Canadian securities laws outline certain situations in which a director is considered to be in a material relationship with the Corporation. In addition, the Board may determine that a director is not “independent” if, in the view of the Board, the director has a relationship which could be reasonably expected to interfere with the exercise of such director’s independent judgement.

Currently, as laid out below, the majority of the Board is independent with three (3) of the four (4) directors being independent. The Corporation has nominated Catherine Fagnan and Adarsh P. Mehta as the fourth and fifth independent directors to the Board. Mr. Murnaghan, the sole non-independent director, is not independent by virtue of him being the chief executive officer of the Corporation. In order to facilitate the exercise of independent judgment, the independent members of the Board may schedule meetings as they see fit at which the non-independent directors and members of management are not in attendance. In addition, the Board holds in camera sessions for independent members during each Board meeting to facilitate open and candid discussion amongst the independent directors.

INDEPENDENT STATUS		
Name	Independent	Not Independent
Marc Murnaghan		✓ He is the Chief Executive Officer of the Corporation.
Jaime Guillen	✓	
James V. Lawless	✓	
Marcela Paredes de Vásquez	✓	
Catherine Fagnan	✓	
Adarsh P. Mehta	✓	

Charter of the Board of Directors

The Board is responsible for the stewardship of the Corporation and for the supervision of the management of the business and affairs of the Corporation. The Board has adopted a formal charter setting out the role and responsibilities of the Board, a text of which is set out in Appendix “B” to this Circular (the “**Board Charter**”).

Chair of the Board

The role of the Chair is to provide leadership to the Board, manage the affairs of the Board and seek to ensure that the Board is organized properly, functions effectively and meets its obligations and responsibilities. The Chair presides at each meeting of the Board and is responsible for coordinating with management to seek to ensure that documents are delivered to the directors in sufficient time in advance of Board meetings for a thorough review, that matters are properly presented for the Board’s consideration at meetings and that the Board has an appropriate opportunity to discuss issues at each meeting, such that the Board is able to carry out its duties to oversee the management of the business and affairs of the Corporation. The Chair is responsible for communicating with each Board member, seeking to ensure that each director has the opportunity to be heard, that each director is accountable to the Board and that the Board and each committee is discharging its duties. The Chair is also responsible for organizing the Board to function independently of management, and arranging for the independent directors to meet without non-independent directors and management present. Mr. Guillen has been Chair of the Board since March 4, 2020.

Position Descriptions

The Board has adopted a written position description for the Chair, each of its committee chairs and the Chief Executive Officer.

The position description for the Chair sets out the Chair’s key responsibilities, including, among others, duties relating to (i) providing overall leadership and enhancing the effectiveness and performance of the Board, (ii) fostering ethical and responsible decision making by the Board, and (iii) other duties relating to setting Board meeting agendas, chairing Board and shareholder meetings, director development and communicating with shareholders and regulators.

The position description for the chair of each committee of the Board sets out the key responsibilities of such chair,, including, among others, duties relating to setting committee meeting agendas, chairing committee meetings and working with the respective committee and management to ensure, to the greatest extent possible, the effective functioning of the committee.

The position description for the Chief Executive Officer sets out the key responsibilities of the Chief Executive Officer, including, among other duties in relation to providing overall leadership, ensuring the development of a strategic plan and recommending such plan to the Board for consideration, ensuring the development of an annual corporate plan and budget that supports the strategic plan and recommending such plan to the Board for consideration, and supervising day-to-day management and communicating with shareholders and regulators.

Orientation and Education

New members of the Board are provided with the necessary information about the role of the Board and its committees and the Corporation, its business and the factors that affect its performance by management and by other members of the Board. In addition, the Board and the committees receive updates as necessary with respect to applicable regulatory or other requirements relating to the role and responsibilities of directors, the Board or the relevant committee. As part of their continuing education, the Board and the committees also receive regular presentations from management, related to specific aspects of the Corporation's business.

The Human Resources and Environmental, Social and Governance Committee ("**HR & ESG Committee**"), by its charter, is responsible for considering, organizing, reviewing and recommending to the Board continuing education programs and policies. The Corporation intends to provide all directors with appropriate opportunities when required to maintain or enhance their skills and abilities as directors and ensure that their knowledge and understanding of the Corporation's business remains current. A full text of the charter is available on the Corporation's website at <https://polarisrei.com/>.

In addition, management of the Corporation regularly meets with external counsel to discuss regulatory changes and corporate governance best practices that affect the Corporation, and occasionally will ask external counsel to present to the Board on relevant topics.

Ethical Business Conduct

The Corporation has adopted a Code of Business Conduct and Ethics (the "**Code**"). The Code applies to all directors, officers, employees and consultants/contractors of the Corporation and its subsidiaries. The Code provides a framework of guidelines and principles to encourage ethical and professional behaviour in conducting the business of the Corporation and its subsidiaries. The full text of the Code is available at www.sedar.com and on the Corporation's website at <https://polarisrei.com/>.

Those that are subject to the Code are expected to be familiar with the Code and may be required, from time to time, to affirm their agreement and compliance with the Code. The Code includes procedures for reporting suspected violations of the Code. The Board expects management to operate the business of the Corporation in a manner that enhances Shareholder value and is consistent with the highest levels of integrity.

The Code was developed by the Corporation in consultation with the HR & ESG Committee. The Audit Committee exercises oversight with respect to the Code and receives periodic reports from management with respect to any reports of alleged violations of the Code. Employees are required to complete annual certification confirming that they understand and agree to abide by the requirements of the Code, that they are in compliance with the requirements of the Code and that they are not aware of any potential misconduct under the Code that has not been reported to appropriate Corporation management.

Nomination of Directors

In making recommendations to the Board regarding individuals qualified to become directors, the HR & ESG Committee considers the desired qualifications, skills and attributes for service on the Board. These include:

- high personal and professional ethics, integrity, practical wisdom and mature judgement;
- board training or prior public company board service, and/or senior executive experience in business, government or energy;
- willingness to devote the required amount of time to carrying out the duties and responsibilities of Board service; and

- willingness to represent the best interest in the Corporation and its operations and objectively appraise management's performance.

The HR & ESG Committee will also consider additional attributes such as other directorships, change in employment status, the competencies and skills that the Board considers each existing director to possess, and the competencies and skills each new nominee would bring to the Board. In carrying out its responsibilities, the HR & ESG Committee is expected to have the authority to retain an outside advisor to assist in its duties.

Committees of the Board

The Board has approved a charter for each committee and delegated responsibilities as set out in those charters. Every year, each committee reviews its charter and determines whether it has fulfilled that charter. Any revisions to a charter are also reviewed annually by the HR & ESG Committee and approved by the Board. For the financial year ended 2022, each committee is satisfied that it has fulfilled its charter.

Audit Committee

NI 52-110 requires issuers to include the charter of the Audit Committee and disclose information with respect to the composition, education and experience of the members of the Audit Committee, as well as all fees paid to external auditors in their annual information form. Please refer to our website at <https://polarisrei.com/> for a copy of the Audit Committee charter.

The Audit Committee is charged with a mandate of assisting the Board in overseeing the financial reporting and disclosure of the Corporation. This oversight includes (a) reviewing the financial statements and the financial disclosure that is provided to the Shareholders and disseminated to the public, (b) reviewing the systems of internal controls to maintain integrity in the financial reporting of the Corporation, and (c) overseeing and monitoring the independence and performance of the Corporation's external auditors and reporting directly to the Board on the work of the external auditors.

In addition, the Audit Committee holds regular *in camera* sessions following regularly scheduled Audit Committee meetings, during which it meets separately with the Chief Financial Officer and the head of the external financial auditors separately as a committee. The charter of the Audit Committee grants it sole authority to retain and terminate any legal, financial or other advisors, consultants and experts to the Audit Committee, including sole authority to approve the advisors' fees and other retention terms. The Audit Committee's charter also requires that it periodically review the adequacy of its charter and recommend any proposed changes to the Board for consideration.

2022 Responsibilities and Highlights		
Financial Reporting	External Auditors	Internal Controls
• Review the integrity of the Corporation's financial statements and financial disclosure and recommend for Board approval; • Review the consolidated annual and interim financial statements, external auditors' report and management's discussion and analysis and recommend for Board approval; and • Review any material changes in accounting policies and practices.	• Review and approve the external auditors' annual audit plan; • Review the qualifications and performance of the external auditors annually; • Review the external auditor's compensation and recommend compensation for the external auditors for Board approval annually; • Review and approve non-audit services to the Corporation or its subsidiaries by the external auditors; and • Select and recommend external auditors for appointment by shareholders annually.	• Monitor the Corporation's system of internal controls; and • Review the effectiveness of the design and operation of the Corporation's system of internal controls annually.

The Board believes that the composition of the Audit Committee reflects a high level of financial literacy and experience. All members of the Audit Committee are "financially literate" as required by securities laws applicable in Canada. The Board has made such a determination based on the experience and education of each Audit Committee member. The current members of the Audit Committee are Mr. Guillen (Chair), Mr. Lawless and Ms. Paredes de Vásquez, each of whom is independent under NI 52-110. The following is a description of the education and experience of each current

member of the Audit Committee as at the date of this Circular that is relevant to the performance of his or her responsibilities as a member of the Audit Committee.

Jaime Guillen (Chair)

Mr. Guillen holds a Bachelor of Science in Nuclear Engineering from Massachusetts Institute of Technology and a Master of Business Administration from Stanford University. Mr. Guillen is Managing Partner at Faros Infrastructure Partners LLC, an investment firm with offices in the United Kingdom and the United States, and is Partner, Investment Committee Member, and board Director with EXI Infrastructure Fund, based in Mexico. He has over 25 years of experience in the development, investment, financing, management and divestiture of energy and infrastructure projects. Mr. Guillen previously served as the Chief Executive Officer of Alterra Partners, an investment joint venture between Singapore Changi Airport and Bechtel, a United States engineering company. He also previously served as the Managing Director of Bechtel Enterprises in Latin America, President of Bechtel Enterprises in Brazil and Director of Bechtel Enterprises of Mexico – responsible for developing, investing in, and managing infrastructure investments.

James V. Lawless

Mr. Lawless holds a Bachelor of Science from the University of Auckland and a Master of Science (First Class Honours) from the University of Waikato. He brings extensive experience with the Corporation's San Jacinto power project, both over the past four years as a director, and previously as Practice Leader at Jacobs New Zealand, where he was responsible for the technical direction and quality of all Jacobs projects related to geothermal resources, including the oversight of drilling activities at the San Jacinto property. Mr. Lawless was a board Member of the International Geothermal Association from 2004-2010, including acting as Finance Chair of the Steering Committee for the World Geothermal Congress in 2010.

Marcela Paredes de Vásquez

Marcela is currently a Titular Professor at the Technological University of Panama. She was the Ambassador of Panama to Chile, a post she held from September 2018 until June 2019. Prior to this, Marcela was the Minister of Education for Panama from 2014 through 2018, and held various positions, including President, at the Technological University of Panama from 1989 through 2013. Marcela holds a DHL from Wilkes University, a Master of Science in Electric Power Engineering from Rensselaer Polytechnic Institute, and a BS in Electromechanical Engineering from Technological University of Panama.

HR & ESG Committee

The current members of the HR & ESG Committee are: Ms. Paredes de Vásquez (Chair), Mr. Guillen, and Mr. Lawless. All members of the HR & ESG Committee are required to be independent. It is proposed that Ms. Fagnan join the HR & ESG Committee as the fourth member.

The Board has adopted a written charter setting forth the purpose, composition, authority and responsibility of the HR & ESG Committee. The HR & ESG Committee's purpose is to assist the Board in:

- the appointment, performance, evaluation and compensation of senior executives;
- the recruitment, development and retention of senior executives;
- maintaining talent management and succession planning systems and processes relating to executive executives;
- developing compensation structure for senior executives including salaries, annual and long-term incentive plans including plans involving equity issuances and other equity-based awards;
- establishing policies and procedures designed to identify and mitigate risks associated with compensation policies and practices;
- assessing the compensation of directors;
- adopting benefit retirement and savings plans;
- developing corporate governance guidelines and principles;
- identifying individuals qualified to be nominated as members of the Board;

- overseeing director orientation and continuing education;
- administering the Corporation's equity incentive plans;
- reviewing the structure, composition and mandate of committees of the Board;
- evaluating the performance and effectiveness of the Board and committees of the Board;
- monitoring safety, environmental and social responsibility performance; and
- monitoring compliance with applicable laws related to safety, environment and social responsibility.

The HR & ESG Committee is responsible for establishing and implementing procedures to evaluate the performance and effectiveness of the Board, committees of the Board and the contributions of individual Board members, as well as review, monitor and ensure compliance with safety, environmental and social responsibility laws and guidelines. The HR & ESG Committee also takes reasonable steps to evaluate and assess, on an annual basis, directors' performance and effectiveness of the Board, committees of the Board, individual Board members, the Chair and committee chairs. The assessment addresses, among other things, individual director independence, individual director and overall Board skills, and individual director financial literacy. The Board receives and considers the recommendations from the HR & ESG Committee regarding the results of the evaluation of the performance and effectiveness of the Board, committees of the Board, individual members, the Chair and committee chairs. The HR & ESG Committee is also responsible for orientation and continuing education programs for the directors (see also "— Orientation and Education") as well as reviewing risks related to health, safety and the environment and the procedures management has designed to manage such risks. Further particulars of the process by which compensation for the Corporation's executive officers is determined is provided under "Compensation Discussion and Analysis".

Board and Committee Self Evaluation

The annual Board and committee self-evaluation process was adopted by the Board based on the review and recommendation of the Nominating and Governance Committee (now the HR & ESG Committee). The process considers such matters as: participation and involvement of Board and committee members; oversight and effectiveness of the Board and its committees as to key functions; quality and adequacy of materials and information provided to the Board and committees, both for and between meetings; Board and committee composition; and, with respect to the committees, fulfillment of accountabilities delegated from the Board and outlined in the individual committee charters. Feedback is solicited from Board and committee members on these and other important areas formally and informally by the Corporation's Corporate Secretary.

The feedback solicited by the Corporation's Corporate Secretary is designed to solicit responses related to the performance of individual directors and members of senior management. Board members are free to provide any additional comments directly to the Chief Executive Officer or Corporate Secretary at any time.

The feedback is reviewed by the HR & ESG Committee to fulfill its oversight role, to facilitate the evaluation process, and so that any areas of improvement for the Board and/or any committee surface through the self-evaluations, including any suggestions for improvement in the self-evaluation process, are reviewed and, if appropriate, addressed.

The HR & ESG Committee reviews the Board and committee self-evaluation process annually and conducts its own evaluation of the performance and effectiveness of the Board and committees. As a result of this review, the HR & ESG Committee may revise aspects of the overall process to reflect changing circumstances, to include feedback from directors, or to incorporate modifications designed to improve the overall process.

Term Limits

Industry and institutional knowledge along with commitment and expertise are vital to the successful functioning of the Board. Given the nature and size of the Corporation's business and its industry, the Board has determined that while it is committed to fostering diversity among Board members, it would be unduly restrictive and not in the best interest of the Corporation to adopt specific director term limits. Diversity and Board renewal will be supported through the other mechanisms designed to address the needs of the Corporation (as described below under the heading "*Board and Senior Executive Diversity*") and not through the imposition of term limits on directors. The Corporation takes the view that term limits are an arbitrary mechanism for removing directors which can result in valuable, experienced directors being forced to leave the board solely because of length of service. It is in the best interest of the Corporation not to have a mandatory retirement requirement for directors.

Board and Senior Executive Diversity

The Corporation recognizes the importance and benefit of having a Board and senior management comprised of highly talented and experienced individuals having regard to the need to foster and promote diversity among board members and senior management with respect to attributes such as gender, ethnicity and other factors.

In support of this goal, when identifying candidates to nominate for election to the Board or appoint as senior management, the HR & ESG Committee:

- considers individuals who are highly qualified, based on their talents, experience, functional expertise and personal skills, character and qualities having regard to the Corporation's current and future plans and objectives, as well as anticipated regulatory and market developments;
- considers criteria that promotes diversity, including with regard to gender, ethnicity, and other dimensions;
- considers the level of representation of women on the Board and in senior management positions, along with other markers of diversity, when making recommendations for nominees to the Board or for appointment as senior management and in general with regard to succession planning for the Board and senior management; and
- as required, engages qualified independent external advisors to assist the Board in conducting its search for candidates that meet the Board's criteria regarding skills, experience and diversity.

The Corporation has adopted a formal policy for the representation and nomination of women on the Board and in senior management positions consistent with the Corporation's commitment to diversity described above. The Corporation will strive to ensure that the Corporation has no less than 30% of the Board comprised of members who identify as women or, where there are fewer than 8 members, no less than 25% of the Board.

As of the date of this Circular, there is one woman on the Board, representing 25% of the directors. If Ms. Fagnan and Ms. Mehta and all of the other nominees put forth at the Meeting are elected to the Board, there will be three women on the Board, representing 50% of the directors. None of the Corporation's named executive officers ("NEOs") identifies as a woman.

Majority Voting Policy

The Board has adopted a majority voting policy to ensure that each member of the Board carries the confidence and support of the Shareholders (the "**Majority Voting Policy**"). In an uncontested election of directors of the Corporation to which the Majority Voting Policy applies, each director should be elected by the vote of a majority of the Common Shares represented online by registered shareholder or by proxy at the Shareholders meeting convened for such election of directors. If any nominee for director receives a greater number of votes "withheld" from his or her election than votes "for" such election, the Majority Voting Policy requires that such director promptly tenders his or her resignation to the Board following the meeting, to be effective upon acceptance by the Board. In such a case, the HR & ESG Committee will review the circumstances of the election and make a recommendation to the Board as to whether or not to accept the tendered resignation. Any director who has tendered his or her resignation may not participate in the deliberations of the HR & ESG Committee or the Board. The Board must accept the tendered resignation, except in situations where exceptional circumstances would warrant the director to continue to serve on the Board, as soon as reasonably possible and in any event within 90 days of the election and announce its decision through a press release.

Subject to any corporate law restrictions or requirements, if a resignation is accepted, the Board may leave the resulting vacancy unfilled until the next annual meeting of Shareholders. Alternatively, it may fill any resulting vacancy through the appointment of a new director whom the Board considers to merit the confidence of the Shareholders, or it may call a special meeting of Shareholders at which there will be presented a management nominee or nominees to fill the vacant position or positions. The Majority Voting Policy does not apply in circumstances involving contested director elections.

Part Four – Compensation of Directors

Compensation of the Chair

The HR & ESG Committee is responsible for reviewing and making recommendations to the Board in respect of the compensation of directors, including the Chair. The HR & ESG Committee is also responsible for evaluating the Chair's

performance in light of achievement of the Corporation's goals and objectives, and making recommendations to the Board with respect to the Chair's compensation level.

Director Compensation Program

The Board, with the assistance of the HR & ESG Committee reviews its director compensation periodically to conform to the evolving needs of the Corporation. The HR & ESG Committee recommends changes in director compensation to the Board for approval when considered appropriate or necessary to:

- recognize the workload, time commitment and responsibility of Board and committee members;
- align the interests of members of the Board with the Shareholders through equity incentives; or
- recruit and retain qualified individuals to serve as members of the Board and to contribute to the overall success of the Corporation.

Equity Ownership Policy

The Board believes in aligning the interests of directors and executive officers and its Shareholders. Upon recommendation of the HR & ESG Committee, the Board has adopted an equity ownership policy (the "**Equity Ownership Policy**") requiring directors to hold at least two (2) times the total value of their annual retainer in Common Shares or DSUs. Directors must meet the requirement within five (5) years from the later of June 23, 2023 or the date of their appointment to the Board. Those directors who are not yet in compliance with their ownership requirements must elect to receive not less than 40% of their annual retainer in the form of DSU's. Once a director is in compliance with their ownership requirement, they will be required to elect to receive at least \$20,000 of their annual retainer in the form of DSU's.

Director Compensation Components

Our non-executive directors are paid an annual retainer which is payable part in cash, and part in equity awards as set out below. Further, an additional cash retainer is paid to the Chair as well as to the chair of each committee of the Board as set out below. The following table sets out the annual retainer that was paid quarterly to each of the directors in 2022 as well as the additional retainer paid to the Chair's of each committee. No retainer or other compensation are paid to executive directors for their role as a director.

Board Member Annual Retainer	\$65,000
Chair Additional Annual Retainer	\$20,000
Committee Chair Additional Annual Retainer	\$5,000

Director Summary Compensation

The following table sets forth all compensation provided to the non-executive directors for the Corporation's most recently completed financial year.

Name	Fees earned⁽²⁾	Share-based awards⁽¹⁾	Option-based awards	Non-equity incentive plan compensation	Pension value	All other comp.	Total
Jaime Guillen	\$70,000	\$20,000	-	-	-	-	\$90,000
James V. Lawless	\$45,000	\$20,000	-	-	-	-	\$65,000
Marcela Paredes de Vásquez	\$47,500	\$20,000	-	-	-	-	\$67,500

Notes:

(1) Share-based awards are in respect of DSU compensation.

(2) Amount for Committee Chair additional annual retainer was prorated at 50% consistent with the appointment period.

Director Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all share-based awards and option-based awards outstanding at the end of the most recently completed financial year for each of the Corporation's non-executive directors.

Name	Option Based Awards				Share Based Awards		
	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options	Number of shares or units of shares that have not vested	Market value or payout value of share-based awards that have not vested	Market value or payout value of share-based awards not paid out or distributed ⁽¹⁾
Jaime Guillen	-	-	-	-	-	-	\$56,120
James V. Lawless	-	-	-	-	-	-	\$56,120
Marcela Paredes de Vásquez	-	-	-	-	-	-	\$66,937

Notes:

(1) Share-based awards are in respect of DSUs outstanding (Fully vested; including dividends accumulated).

Director Share-Based Awards – Value Vested or Earned During Year

The following table sets forth the value vested or earned on option-based, share-based and non-equity incentive plan awards during the most recently completed financial year for each of the Corporation's non-executive directors.

Name	Option-based awards – Value vested during the year	Share-based awards – Value vested during the year ⁽¹⁾	Non-equity incentive plan compensation – Value earned during the year
Jaime Guillen	-	\$20,000	-
James V. Lawless	-	\$20,000	-
Marcela Paredes de Vásquez	-	\$20,000	-

Notes:

(1) Share-based awards are in respect of DSU compensation.

Part Five – Executive Compensation

Report of the HR & ESG Committee

Dear Shareholders,

Thank you for your ongoing support in our continued growth and success. We are grateful that you have entrusted your confidence in us to effectively carry out our mandate. We are very pleased with our management team and employees' performance. Their commitment to our business has enabled us to successfully execute on our business strategy and meet our key objectives.

Going-forward, we will continue to review best practices on executive compensation and related governance trends in an effort to continually develop our programs and practices over time. As a first step in this process, we have hired Willis Towers Watson ("WTW"), a leading independent consulting firm, to assist and advise us with respect to executive and director compensation and related governance practices. This will assist us in enhancing our disclosure of compensation programs and demonstrate the alignment of these programs with our business strategy, the attraction and retention of executives to successfully execute our strategy, and fulfillment of long-term shareholder value creation.

In order to continue to create shareholder value, while keeping the interests of our other stakeholders in mind in a very fluid and dynamic environment, we continue to be focused on managing our assets, business and investments related to the production, delivery and sale of energy-related solutions. We continue to focus on our key strategic objectives to successfully execute on our strategy, building facilities, operating facilities and organizational effectiveness.

2022 was a very busy and successful year for us. We continued our growth strategy with the acquisition of two solar development projects in Panama (10 MW), an operational solar project in the Dominican Republic (25 MW) and a run-of-the-river hydro project in Ecuador (6 MW). We also completed the construction of the San Jacinto Binary Project in Nicaragua where full capacity was achieved on December 31, 2022.

The following are certain policies and practices that have been adopted by the HR & ESG Committee:

<u>Policies and Practices</u>	<u>Highlights</u>
Risk Assessment of Compensation Program	• The HR & ESG Committee annually reviews the Corporation's compensation program to ensure that it does not encourage excessive or inappropriate risk-taking.
Peer Group Benchmarking	• Established a peer group against which to benchmark executive compensation decisions.
Anti-Hedging Policy	• Adopted a policy that prohibits executive officers from purchasing financial instruments designed to hedge or offset a decrease in the market value of shares.
Independent Compensation Consultant	• During the first quarter of 2023, the HR & ESG Committee engaged WTW, a leading independent consulting firm, to assist in the benchmarking of compensation for executive officers and directors of the Corporation.

As we continue to grow, we remain committed to the belief that long-term Shareholder returns are bolstered by a healthy balance among all of our stakeholders' including equity and debtholders, employees, customers, the communities in which our business operates, and the environment. Our commitment to sustainability is rooted in our business strategy and our corporate values.

Our strength in growing our business remains with our employees and our leadership team. Throughout this past year, we have seen the Polaris team continue its commitment to our business and its success and appreciate all of the work and effort of all team members that helped us achieve our strong results in a safe and reliable manner.

Members of the HR and ESG Committee

Compensation Discussion and Analysis

This compensation discussion and analysis describes and explains the Corporation's policies and practices with respect to evaluating compensation of its NEOs. The Corporation has three NEOs as set out in the table below.

Named Executive Officers

Name	Title
Marc Murnaghan	Chief Executive Officer
Anthony Jelic	Chief Financial Officer
Alexis Osorno	SVP Latin America

Objectives of Compensation Program

The Corporation operates in a complex and demanding industry in multiple foreign jurisdictions. To succeed in this environment and to achieve our business and financial objectives, we need to attract, retain and motivate a highly talented team of executive officers. It is expected that the team possess and demonstrate strong leadership and management capabilities with a view to optimizing Shareholder value.

The executive officer compensation program is designed to achieve the following objectives:

- provide compensation opportunities in order to attract and retain talented, high-performing and experienced executive officers, whose knowledge, skills and performance are critical to the success of the Corporation;
- reward executive officers for their contribution to the overall success of the Corporation and motivate them to achieve the Corporation's stated business and financial objectives;
- align the interests of our executive officers with those of our Shareholders by tying a meaningful portion of compensation directly to the long-term value and growth of the business; and
- provide incentives that encourage appropriate levels of risk-taking by our executive officers and provide a strong pay-for-performance relationship.

The Corporation offers the executive officers cash compensation in the form of base salary and an annual bonus, and equity-based or equity-like compensation.

While it has been determined that the current executive officer compensation program is effective at attracting and maintaining executive officer talent, the Corporation continues to evaluate its philosophy and compensation program as circumstances require and plans to continue to review compensation on an annual basis.

Benchmarking and Comparator Groups

In 2023, the HR & ESG Committee approved two comparator groups proposed by WTW for executive compensation benchmarking purposes.

1. **Industry Specific (Main Peer Group with 11 Companies)**
 - A group composed of 11 companies from the Renewable Electricity sector.
2. **Broader Sector Extended Secondary Peer Group that includes the companies of the Main Peer Group (24 Companies in Total)**
 - A group of 24 companies including 13 companies from the Electrical Equipment sector and the Electrical Utilities sector as well as the 11 from the Main Peer Group.

The HR & ESG Committee and the Board are satisfied that these two groups of peer companies reflect the market for talent of the Corporation.

Selection Criteria

Main Peer Group

The companies included in this group must meet most of the following criteria:

- Industry → Operating in the Renewable Energy sector
- Size → Less than \$2B in revenues
- Ownership structure → Canadian and select U.S. industry related publicly traded companies
- Geography → Similar head office location (US and Canadian based companies)

Extended Secondary Peer Group

The additional companies added to the Main Peer Group must meet the following criteria :

- Industry → Electrical Equipment or Electric Utilities
- Size → Less than \$1B in revenues
- Ownership Structure → Similar to Main Peer Group
- Geography → Similar to Main Peer Group

Comparator Groups Constituents

<i>Companies in Main Peer Group</i>	<i>Companies Added for Extended Secondary Peer Group</i>
1. Altus Power, Inc.	1. Altius Minerals Corporation
2. Boralex Inc.	2. Dragonfly Energy Holdings Corp.
3. Clearway Energy, Inc.	3. Enerflex Ltd.
4. Innergex Renewable Energy Inc.	4. GBLT Corp.
5. Jade Power Trust	5. Hammond Manufacturing Company Limited
6. Montauk Renewables, Inc.	6. Hammond Power Solutions Inc.
7. NextEra Energy Partners, LP	7. K-Bro Linen Inc.
8. Northland Power Inc.	8. Maxim Power Corp.
9. Ormat Technologies, Inc.	9. Mercer International Inc.
10. Sunnova Energy International Inc.	10. Orion Energy Systems, Inc.
11. TransAlta Renewables Inc.	11. Resolute Forest Products Inc.
	12. Shoals Technologies Group, Inc.
	13. Ultralife Corporation

Compensation Risk

The HR & ESG Committee is responsible for establishing policies and procedures designed to identify and mitigate risks associated with the Corporation's compensation policies and practices. The Corporation mitigates executive compensation risk through such corporate governance oversight and policies, as well as the design of executive compensation.

Hedging/Anti-Hedging Policy

The NEOs and the directors are, as a matter of policy, not permitted to purchase financial instruments designed to hedge or offset a decrease in the market value of shares, including shares granted as or underlying share-based compensation or otherwise held directly or indirectly by a NEO or a director. The full text of this policy is included in the *Corporate Policy Manual – Insider Trading Policy*, which is available on the Corporation's website at <https://polarisrei.com/>.

Equity Ownership Policy

As noted in Part Four – Compensation of Directors, the Board has adopted the Equity Ownership Policy setting out certain equity ownership requirements for directors and executive officers. As for executive officers, the CEO is required to hold at least three (3) times the total value of their annual base salary, and the CFO is required to hold at least one

and a half (1.5) times the total value of their annual base salary. Executive officers must meet the requirement within five (5) years from June 23, 2023. Those executive officers who are not in compliance with their respective ownership requirements are given the option to elect to receive not less than 40% of their annual short term bonus in the form of restricted share units, or retain an amount equal to 40% of their net Common Shares received as a result of the exercise of stock options or the vesting of any share-based awards.

Compensation Components

The compensation of the Corporation's NEOs includes three major components: (i) base salary; (ii) annual bonus; and (iii) long-term equity incentives. Perquisites and personal benefits are not a significant part of compensation of our NEOs.

Base Salary

The primary element of the Corporation's compensation program for our NEOs is base salary. Base salary is provided as a fixed source of compensation for our NEOs. A competitive base salary is a necessary element for attracting and retaining qualified executive officers and employees. Individual salary levels are determined according to a number of factors, including the individual's performance, responsibilities and experience. To ensure that the Corporation will continue to attract and retain qualified and experienced executives, base salaries are reviewed and adjusted annually and as warranted throughout the year to reflect promotions or other changes in the scope of breadth of an executive officer's role or responsibilities, as well as to maintain market competitiveness. The HR & ESG Committee recommends any changes in base salary to the Board.

Bonus Program

Annual bonuses are designed to motivate our NEOs to meet our business and financial objectives generally and our annual financial performance targets, in particular. The annual bonus plan for the CEO is a short-term incentive plan with awards tied to the achievement of certain quantitative and qualitative business and operational objectives. The quantitative objectives are measured annually and include: EBITDA achieved relative to target, Return on Capital achieved relative to targets (for both internally developed projects as well as acquisitions), plant availability and safety metrics, dividends paid to Shareholders, total return on Common Shares, EBITDA multiple gap versus a defined peer group and daily trading volume. The qualitative objectives include: the completion of corporate development transactions, successful integration of acquisitions, improved capital markets and investor relations programs, enhanced employee, government and community relations, development of overall carbon credit strategy, and implementation of crisis management and succession plans.

The annual bonus plan for the CFO includes the following qualitative targets and measures: successful financial reporting process, assistance with corporate acquisitions and new projects, achieving corporate efficiencies, leading the overall ESG strategy, corporate IT and security including implementation of a new ERP system, Human Resources management and leading the tax planning for the Corporation.

The HR & ESG Committee assigns relative weightings to each of the quantitative and qualitative objectives and targets at the beginning of the year based on the strategic planning process. Each quantitative and qualitative objective is assessed at the end of the year relative to the target and a score, relative to 1.0, is given. This results in a weighted average performance score for the year, relative to target, and is applied to calculate the size of the bonus relative to the executive officer's base salary.

For 2022, the bonuses paid to the NEO's were materially in line with their target levels.

For the year 2023, the target bonuses expressed as a percentage of base salary will be 75% for the Chief Executive, 40% for the Chief Financial Officer and 25% for SVP Latin America.

Long-Term Equity Incentive Compensation

Long-term incentive compensation awards provide motivation for our officers, employees, consultants and directors to achieve our business and financial objectives, and also align their interests with the long-term interests of our Shareholders. Our HR & ESG Committee reviews, evaluates and considers equity grants to NEOs annually both as an important component of the NEO's overall compensation package and to ensure appropriate levels of share ownership.

The HR & ESG Committee realizes the importance of aligning long-term incentive compensation for the NEOs with the long-term strategic objectives and value creation goals of the Corporation. Long-term equity compensation is typically given by granting awards under the Omnibus Plan. As part of the recent engagement by the Corporation of WTW, the HR & ESG Committee is currently in the process of evaluating a number of proposals related to Omnibus Plan Awards for the NEOs. Accordingly, the HR & ESG Committee will be granting certain awards under

the Omnibus Plan to the NEOs for 2023 and going forward, in order to accomplish this key objective. Details of the Omnibus Plan, including default vesting terms are set out in “Appendix C – *Omnibus Plan*”.

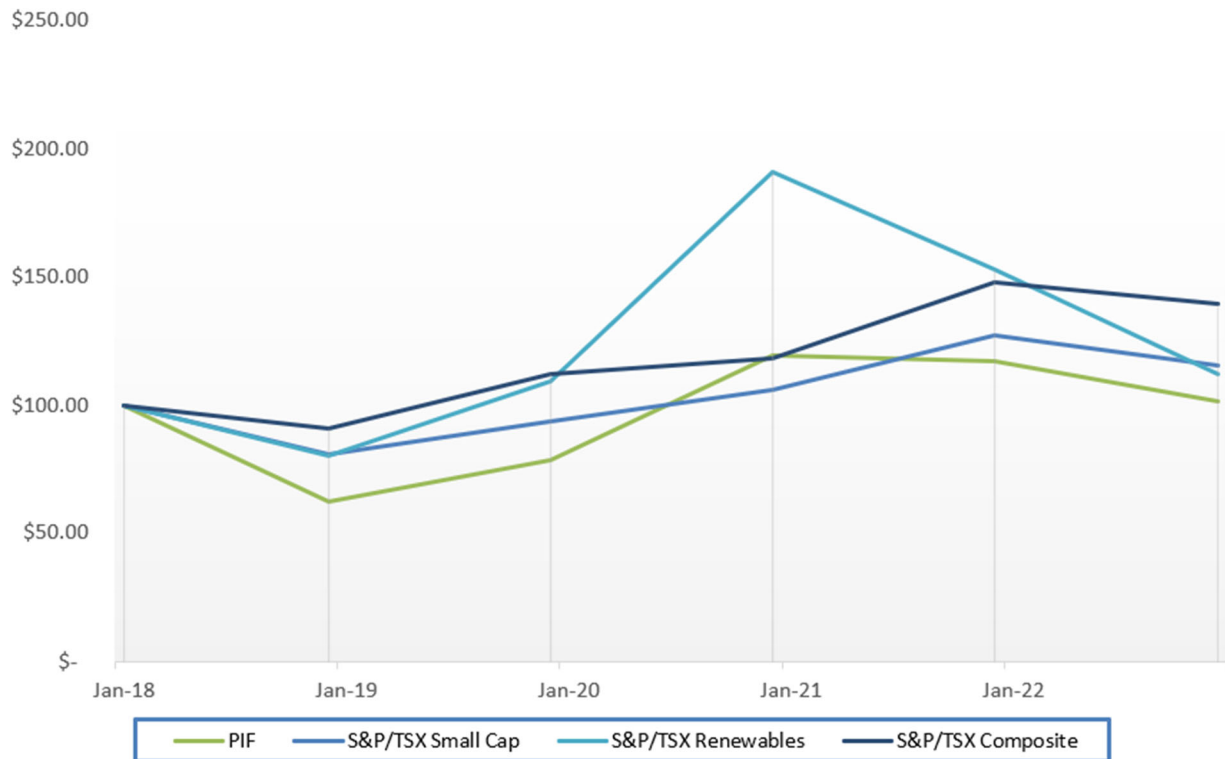
Share-Based and Option Based Awards

The granting of share-based and option-based awards to NEOs are approved by the Board, upon recommendation from the HR & ESG Committee. Please see “Appendix C – *Omnibus Plan*” for a discussion regarding the process the Corporation uses to grant share-based and option-based awards to executive officers. Previous grants of share-based or option-based awards may be taken into account when considering new grants, however, varying circumstances are also considered.

For 2022, no share or option-based awards were awarded at Polaris.

Performance Graph

The following graphs illustrate over the period January 1, 2018 to December 31, 2022, the total cumulative Shareholder return of an investment in Common Shares compared to the cumulative return of an investment in the S&P/TSX Renewable Energy and Clean Technology Index, the S&P/TSX SmallCap Index and the S&P/TSX Composite Index, assuming that C\$100 was invested on January 1, 2018.



The market price for the Common Shares is impacted by a number of external factors including the overall market sentiment and confidence in the future of the alternative energy technology sector.

Summary Compensation Table

The following table sets forth information with respect to executive compensation paid to the NEOs for services rendered in all capacities to the Corporation and its subsidiaries for the three (3) most recently completed fiscal years. Other than those individuals who are included in the following table, no other individuals are considered “NEOs” as such term is defined in Form 51-102F6 – *Statement of Executive Compensation*.

Name and Principal Position	Year	Salary	Share-based awards	Option-based awards	Non-equity incentive plan compensation		All other compensation ⁽²⁾	Total compensation
					Annual incentive plans ⁽¹⁾	Long term incentive plans		
MARC MURNAGHAN, Chief Executive Officer	2022	\$403,830	-	-	\$245,183	-	\$7,348	\$656,361
	2021	\$394,384	-	-	\$162,486	-	\$6,033	\$562,903
	2020	\$314,160	-	-	\$161,792	-	\$4,016	\$479,968
ANTHONY JELIC, Chief Financial Officer	2022	\$227,154	-	-	\$86,535	-	\$7,348	\$321,037
	2021	\$221,841	-	-	\$61,524	-	\$6,033	\$289,398
	2020	\$176,715	-	-	\$61,261	-	\$4,016	\$241,992
ALEXIS OSORNO, SVP Latin America	2022	\$168,000	-	-	\$10,802	-	\$21,087	\$199,889
	2021	\$168,000	-	-	\$10,802	-	\$21,087	\$199,889
	2020	\$150,000	-	-	\$10,802	-	\$19,587	\$180,389

Notes:

- (1) The annual incentive plan compensation relates to a cash bonus in the fiscal year.
- (2) Where not separately disclosed, all other compensation represents health and insurance premiums and employer taxes paid. In the case of Mr. Osorno, it also includes the “Aguinaldo”, a legislated 13th month payment in the jurisdiction in which he is employed.

Named Executive Officer Outstanding Share-Based Awards and Option-Based Awards

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in the- money options ⁽¹⁾	Number of shares or units of shares not vested	Market value or payout value of share based awards not vested	Market value or payout value of share-based awards not paid out or distributed
MARC MURNAGHAN	-	-	-	-	-	-	-
ANTHONY JELIC	60,000	C\$9.93	10-Dec-23	C\$198,795	-	-	-
ALEXIS OSORNO	30,000	C\$18.44	9-Aug-26	-	-	-	-

Notes:

- (1) Value based on the ‘in the money’ amount (the difference between the closing price of the Common Shares on the TSX on December 31, 2022 of C\$14.07 and the exercise price of the option) of options held as of December 31, 2022.

Named Executive Officer Incentive Plan Awards – Value Vested or Earned During Year

For each NEO, the following table sets forth the value vested or earned on option-based, share-based and non-equity incentive plan awards during the most recently completed financial year.

Name	Option-based awards – Value vested during the year	Share-based awards – Value vested during the year	Non-equity incentive plan compensation – Value earned during the year
MARC MURNAGHAN	-	-	\$245,183
ANTHONY JELIC	-	-	\$86,535
ALEXIS OSORNO	-	-	\$10,802

Pension Plan Benefits

The Corporation does not offer pension plan benefits to its NEOs.

Termination and Change in Control Provisions

The Corporation has entered into Employment Agreements with each of Mr. Murnaghan and Mr. Jelic. The Employment Agreements provide for certain payments in connection with the termination of the NEO, including in relation to a termination following a change in control of the Corporation.

The table below sets out the compensation payable to an NEO upon termination / change in control in various circumstances. No incremental amounts are triggered by the other termination scenarios. Pursuant to the applicable employment agreement, each NEO is only awarded payments in relation to a change of control (as defined in the employment agreement) of the Corporation if the NEO is terminated or resigns for Good Reason (as defined in the employment agreement) within 12 months of the change of control.

Compensation Element	Resignation	Retirement	Termination without Cause	Termination within 12 months of Change in Control	Termination with Cause	Death	Disability
Severance	None	None	CEO: 2 full years of base salary CFO: 12 months of base salary	CEO: 2 full years of base salary CFO: 18 months of base salary	None	None	None
Base Salary	Ends on resignation	Ends on retirement	Ends on termination	Ends on termination	Ends on termination	Ends on death or disability	
STIP (Cash Bonus)	Award forfeited	Award prorated	CEO: 2 x average of last 3 years' bonus CFO: 1 x average of last 3 years' bonus	CEO: 2 x average of last 3 years' bonus CFO: 1.5 x average of last 3 years' bonus	Award forfeited	Award prorated	Award prorated
RSUs	Regular Vesting Schedule	Regular Vesting Schedule	Regular Vesting Schedule	Regular Vesting Schedule	Award forfeited	Regular Vesting Schedule	Regular Vesting Schedule
Options / SARs and Retention Awards	Expires on the earlier of : (i) sixty (60) days after the date the Participant ceases to be an Eligible Participant or (ii) the expiry date of the Award set forth in the agreement pursuant to which the Award was granted expires on the earlier of (i) sixty (60) days after the date the Participant ceases to be an Eligible Participant or (ii) the expiry date of the Award set forth in the agreement pursuant to which the Award was granted				Award forfeited	Vested options must be exercised (i) within one (1) year of the Participant's death or (ii) prior to the expiration of the original term of such Vested Award, whichever is earlier	Award must be exercised (i) within three (3) years of the disability, (ii) until the Participant becomes eligible for long-term disability benefits, or (iii) prior to the expiration of the original term of the Award, whichever is earlier

The following table sets out the amount that an NEO would have been paid had they been terminated without cause on December 31, 2022, as well as the payment had the termination occurred in conjunction with a change of control.

Compensation Element	Resignation (\$)	Termination without Cause (\$)	Termination without Cause / Resignation following a Change in Control (\$) ⁽¹⁾	Termination with Cause (\$)
Marc Murnaghan	-	\$1,187,300	\$1,187,300	-
Anthony Jelic	-	\$296,928	\$445,392	-
Alexis Osorno	-	N/A	N/A	-

Notes:

(1) These figures include Base Salary and Bonus only.

Securities Authorized for Issuance under Equity Compensation Plans

Equity Compensation Plan Information

The following table sets forth certain summary information concerning the Omnibus Plan as at December 31, 2022. The Omnibus Plan is the only equity compensation plan that the Corporation has in effect. Please see "Appendix C – *Omnibus Plan*" for a discussion of the Omnibus Plan.

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted-average exercise price of outstanding options, warrants and rights ⁽¹⁾	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽²⁾
Equity compensation plans approved by securityholders	238,000	C\$15.87	1,338,933
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	238,000	C\$15.87	1,338,933

Notes:

(1) Does not include RSUs and DSUs.

(2) As at December 31, 2022, the maximum aggregate number of Common Shares which were reserved and available for grant and issuance under the Omnibus Plan was 1,576,933. The maximum number of Common Shares that will be reserved and available for grant pursuant the Omnibus Plan as at May 3, 2023 will be 1,576,933, representing approximately 7.5% of the total issued and outstanding Common Shares.

Aggregate Dilutive Impact of Equity-based Compensation Arrangements

The Corporation's annual burn rate, as described in Section 613(d) of the TSX Company Manual, under the Omnibus Plan for the past three years is set out in the table below. The burn rate is subject to change from time to time, based on the number of options, DSUs, RSUs and SARs, as applicable, granted and the total number of Common Shares issued and outstanding.

Year ended	December 31, 2022	December 31, 2021	December 31, 2020
Weighted average number of outstanding Common Shares for the fiscal year	20,159,817	19,019,800	16,924,385
Securities granted during the fiscal year	45,423	131,126	6,452
Annual burn rate	0.23%	0.69%	0.04%

Part Six – Sustainability and Other Matters

Approach to Sustainability and Climate Change

As the Corporation continues to grow, it remains committed to the belief that long-term returns are bolstered by a healthy balance among all stakeholders', including equity and debtholders, employees, customers, the communities in which our business operates, and the environment. Our commitment to sustainability is rooted in our business strategy and our corporate values. The Board has oversight over climate-related issues as it pertains to new opportunities and growth of renewable energy projects as well as other related risks and opportunities. This oversight is part of their overall ESG related activities.

For Polaris, sustainability management has been an important pillar in our operations. In 2022, we updated our sustainability strategy by carrying out a materiality assessment. This process was an opportunity to progress from having sustainability initiatives, projects, and programs to having a comprehensive vision of our opportunities and risks in terms of sustainability and formulating a multi-year sustainability strategy aligned with our core business and values. For each of the material topics identified, the Corporation defined a list of commitments, set measurable targets, and aligned them with the United Nations Sustainable Development Goals. The Corporation is targeting to contribute to fifteen (15) of the UN's seventeen (17) sustainable development goals.

The Corporation's four (4) pillars of sustainability, by which our strategy will be governed, are "Our Practice", "Our People", "Our Partners", and "Our Planet". The Corporation's sustainability strategy is divided into these four key areas, which address governance, social (internal and external), and environmental aspects that are relevant to our business as well as to internal and external stakeholders. The scope of Polaris' strategy encompasses all of our project sites, technologies, and geographies.

Sustainability Metrics and 2022 Executive Scorecard

One of the primary ways the Corporation focuses on Sustainability is through an explicit link to compensation by a direct inclusion in the evaluation scorecards. Annually, the Corporation has Health, Safety and Sustainability objectives that drive improvement in key areas.

The following sustainability aspects with quantitative and qualitative targets accounted for a portion of the variable "at risk" performance-based compensation paid to our executives in respect of 2022:

Health & Safety	incident and accident rates;	☒
Government and community relations	development and implementation of strategy;	☒
Employee relations	staff retention, training and "Great Place to Work ®" status;	☒
Corporate sustainability management	general strategy, sustainable practices, communication and awareness.	☒

Annual Sustainability Report ("Sustainability Report")

The Corporation's Sustainability Report sets out its commitment to the sustainability of energy and water by communicating the Corporation's strategies, initiatives, and goals relating to our sustainability strategy. The Board reviews the annual sustainability and climate-related disclosures which demonstrate progress towards our stated targets.

Key highlights of the Corporation's initiatives in the jurisdictions in which it operates include:

- The Board, CEO and CFO adopted an Annual Code of Ethics Commitment in which each member acknowledges their role in setting the "tone at the top." This is in addition to the company-wide Code of Business Conduct and Ethics with annual training requirements.
- Talent engagement and empowerment practices including an engagement survey with a 95% response rate and related workplans. In addition to the recognition as a "Great Place to Work" in Nicaragua, the Company was also recognized as one of the Best Companies for Young Professionals.
- Environmental initiatives and promotion thereof, including reforestation campaigns and donation, forest-fire prevention, cleaning, water & waste management, recycling and related education. The Corporation also leads community awareness activities on Earth Day and International Environmental Day.
- Contributions to local educational organizations such as:
 - an early childhood education program for children ages three to six (Early Roots Project),
 - donation of an innovation centre including all the technological equipment,
 - sponsorship of an educational robotics project, and
 - university grants for outstanding students.
- Community agricultural projects to assist in the improvement of crop quality and yield for local farmers.
- Donations of medical, educational supplies and infrastructure to the communities, in addition to hosting Christmas celebrations and toy giveaways.
- Continued development of stakeholder engagement and community grievance mechanisms.
- Alignment with the United Nations Sustainable Development Goals, reporting in line with SASB in 2021 and a commitment to report in line with TCFD by 2023. In 2022, the Corporation completed a Green

Financing Framework (“**Framework**”). It will allow the Corporation and its subsidiaries to issue green financings, loans (corporate and project level) and/or bonds for Eligible Green Projects (each a “**Green Financing**”). The aim of this Framework is to facilitate disclosure, transparency, integrity, and equality related to our Green Financings for interested investors and stakeholders.

Readers are encouraged to read our Annual Sustainability Report available on our website at <https://PolarisREI.com/>.

Other Matters

Indebtedness of Directors and Executive Officers

No director, proposed nominee for director, executive officer, employee or former director, executive officer or employee of the Corporation or its subsidiaries nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Corporation or its subsidiaries nor has any such person 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.

Interest of Informed Persons in Material Transactions

As of the date of this Circular, no informed person (as defined in NI 51-102) or proposed nominee for director of the Corporation and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation’s most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Corporation or any of its subsidiaries.

Additional Information

The Corporation regularly files quarterly and annual financial statements, as well as material change reports, management’s discussion and analysis, and other important information with the securities commissions or similar authorities in each of the provinces of Canada. Financial information of the Corporation is contained in the Financial Statements and the MD&A. Copies of such documents are available on SEDAR at www.sedar.com. Election cards have been delivered to Shareholders with this Circular whereby Shareholders can elect to receive interim financials and/or Financial Statements and the corresponding management’s discussion and analysis, including the MD&A.

APPROVAL OF CIRCULAR BY THE CORPORATION'S BOARD OF DIRECTORS

The contents of this Circular and its sending to the Shareholders have been unanimously approved by the Board.

Dated this 19th day of May, 2023.

BY ORDER OF THE BOARD OF DIRECTORS,

(signed) "*Marc Murnaghan*"

Marc Murnaghan
Chief Executive Officer

Appendix A

AMENDMENT TO BY-LAW NO. 1 OF POLARIS RENEWABLE ENERGY INC.

1. By-Law No. 1 of Polaris Renewable Energy Inc. (the “**Corporation**”) is hereby amended by adding the following thereto as section 4.3(a), following section 4.3 “Election and Term” and preceding section 4.4. “Removal of Directors”:

INTRODUCTION

The Corporation is committed to: (i) facilitating an orderly and efficient annual or, where the need arises, special meeting, process; (ii) ensuring that all shareholders receive adequate notice of director nominations and sufficient information with respect to all nominees; (iii) allowing the Corporation and shareholders to evaluate all nominees’ qualifications and suitability as a director of the Corporation; and (iv) allowing shareholders to cast an informed vote.

The purpose of this amendment to By-Law No. 1 (the “**By-law Amendment**”) is to provide shareholders, directors and management of the Corporation with guidance on the nomination of directors. This By-law Amendment is the framework by which the Corporation seeks to fix a deadline by which holders of record of common shares of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form.

It is the position of the Corporation that this By-law Amendment is beneficial to shareholders and other stakeholders. This By-law Amendment will be subject to an annual review, and will reflect changes as required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

NOMINATIONS OF DIRECTORS

1. **Nomination procedures** - Subject only to the *Business Corporations Act* (Ontario) (the “**Act**”) and the articles of the Corporation (the “**Articles**”), only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors of the Corporation (the “**Board**”) may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called is the election of directors:
 - a. by or at the direction of the Board, including pursuant to a notice of meeting;
 - b. by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act, or a requisition of the shareholders made in accordance with the provisions of the Act; or
 - c. by any person (a “**Nominating Shareholder**”): (A) who, at the close of business on the date of the giving of the notice provided for below in this By-law Amendment and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this By-law Amendment.
2. **Timely notice** - In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Corporation at the principal executive offices of the Corporation.
3. **Manner of timely notice** - To be timely, a Nominating Shareholder’s notice to the Secretary of the Corporation must be made:
 - a. in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the annual meeting was made, notice

by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and

b. in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.

4. Proper form of timely notice - To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Corporation must set forth:

- a. as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
- b. as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).

The Corporation may require any proposed nominee to furnish such other information, including a written consent to act, as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

5. Eligibility for nomination as a director - No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this By-law Amendment; provided, however, that nothing in this By-law Amendment shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

6. Terms - For purposes of this By-law Amendment:

- a. "public announcement" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and
- b. "Applicable Securities Laws" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

7. Delivery of notice - Notwithstanding any other provision of this By-law Amendment, notice given to the Secretary of the Corporation pursuant to this By-law Amendment may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Corporate Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the aforesaid address) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Toronto time) on a day

which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

8. **Board Discretion** - Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this By-law Amendment.

Appendix B

Charter of the Board of Directors

Section 1. Purpose

This charter prescribes the role of the board of directors (the “**Board**”) of Polaris Renewable Energy Inc. (the “**Company**”). The Company considers good corporate governance to be essential to the director’s fiduciary obligations to the shareholders of and integral to the ongoing good management and development of the Company. The Board has developed this Charter to set describe the principal duties and responsibilities of the Board, as well as some of the policies and procedures that apply to the Board in discharging its duties and responsibilities. This Charter is subject to the provisions of the Company’s articles of incorporation, bylaws and to applicable laws. This Charter is not intended to limit, enlarge or change in any way the responsibilities of the Board as determined by the Company’s articles of incorporation, bylaws and applicable laws.

Section 2. Role

The Board is responsible under law for the stewardship of the Company and its business and affairs. The Board is responsible for the stewardship of the Company. This requires the Board to oversee the conduct of the business and affairs of the Company. The Board discharges some of its responsibilities directly and discharges others through committees of the Board. The Board is not responsible for the day-to-day management and operation of the Company’s business, as this responsibility has been delegated to management. The Board is, however, responsible for supervising management in carrying out this responsibility.

Section 3. Composition

The Board shall be comprised of that number of directors as shall be determined from time to time by the Board, in accordance with the Company’s notice of articles and articles. To the extent possible, a majority of the members of the Board shall be independent directors. An “independent director” means directors that have no direct or indirect material relationship with the Company, where a material relationship is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. Schedule “A” to this Charter sets out guidance on what would be considered a material relationship in accordance with *National Policy 58-201 Corporate Governance Guidelines*. As the guidelines set out in Schedule “A” to this Charter may be revised, updated or replaced from time to time, the Board shall update such schedule as required.

The chair of the Board (the “**Chair**”) shall be appointed annually by the Board to oversee the Board in carrying out its responsibilities effectively.

Each member of the Board shall have the skills and abilities appropriate to his or her appointment as a director, as shall be determined by the Board.

Section 4. Responsibilities

Section 4.1 General

The Board’s fundamental responsibilities are to foster the long-term success of the Company consistent with the Board’s fiduciary responsibility to the Company, to enhance and preserve long-term shareholder value and to provide stewardship in order that the Company meets its obligations on an ongoing basis and operates in a reliable and safe manner. In performing its functions, the Board should also consider the legitimate interests that its other stakeholders, such as employees, customers and local communities, may have in the Company.

The Board has the oversight responsibility to direct the activities of management such that the Company meets its legal and regulatory requirements and that the appropriate documents and records are properly prepared, approved and maintained.

The Board has the statutory responsibility to:

- i. manage or supervise the management of the business and affairs of the Company;
- ii. act honestly and in good faith with a view to the best interests of the Company;

- iii. exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances;
- iv. act in accordance with its obligations contained in the *Business Corporations Act* (Ontario) (“**OBCA**”) and the regulations thereto, the securities legislation of each province and territory in which it is a reporting issuer, other relevant legislation and regulations applicable to the Company, and the Company’s articles and by-laws; and
- v. on the recommendation of the Audit Committee, recommend to the shareholders the appointment of an external auditor and fix the remuneration of the external auditor if it has not been fixed by the shareholders.

Without limiting the Board’s statutory obligations, the Board responsibilities shall include the following:

- (a) approving a corporate philosophy and mission;
- (b) selecting, monitoring, advising, evaluating, compensating, and, if necessary, replacing the Chief Executive Officer (the “**CEO**”) and other senior executives and ensuring orderly and proper management succession;
- (c) reviewing and approving management’s strategic and business plans, including developing an indepth knowledge of the business being served, understanding and questioning the plan’s assumptions, and reaching an independent judgment as to the probability that the plans can be realized;
- (d) reviewing and approving the Company’s financial objectives, plans, and actions, including significant capital allocations and expenditures;
- (e) reviewing and approving material transactions not in the ordinary course of business;
- (f) monitoring corporate performance against the strategic business plans, including overseeing operating results on a regular basis to evaluate whether the business is being properly managed;
- (g) ensuring ethical behaviour and compliance with laws and regulations, auditing and accounting principles, and the Company’s own governing documents;
- (h) assessing its own effectiveness in fulfilling these and other Board responsibilities; and
- (i) performing such other functions as are prescribed by law, or assigned to the Board in the Company’s constating documents.

Section 4.2 Composition of Board

The Board shall from time to time examine its size and composition and undertake, on the recommendation of the HR & ESG Committee and where it considers appropriate, a program to reduce or increase the number of directors to a number which facilitates more effective decision making.

Section 4.3 Compensation of Directors

The HR & ESG Committee shall from time to time review the adequacy and form of the compensation of the directors so that such compensation realistically reflects the responsibilities and risks involved in being a director of the Company.

Section 4.4 Outside Advisers

The Board shall implement a system whereby individual directors may engage, at the expense of the Company, an outside advisor (including legal counsel) to provide consultation and advice in appropriate circumstances, subject to approval by the CEO of the Company or the Board.

Section 4.5 Independence

The Board has the responsibility to implement appropriate structures and procedures to permit the Board to function independently of management. Such structures and procedures shall, at a minimum, include:

- (a) the appointment of a Chair, who to the extent possible, shall be independent of the Company and who shall be responsible for ensuring that the Board discharges its responsibilities independently of management;
- (b) in the absence of an independent Chair, nominate an independent director to act as lead director;
- (c) the requirement that, to the extent possible, a majority of the members of the Board shall be independent; and
- (d) the adoption of alternative means of ensuring independence from management such as, when appropriate, assignment of responsibility to a committee of the Board.

Section 4.6 Strategy Determination

The Board has the responsibility:

- (a) to determine long-term goals, to establish a strategic planning process for the Company, and to participate with management directly or through its committees in approving the mission of, and the annual strategic plan for the Company; and
- (b) to monitor progress in respect of the achievement of the goals established in the strategic plan and to initiate corrective action when required.

Section 4.7 Committees of the Board

The Board shall appoint committees of directors and such committees shall have the responsibilities of meeting regularly and carrying out the duties and powers delegated to them by the Board. The committees of the Company shall at a minimum consist of the following:

- (a) Audit Committee; and
- (b) HR & ESG Resources and Environmental, Social and Governance Committee.

Section 4.8 Managing Risk

The Board has the responsibility to understand the principal risks of the business in which the Company is engaged, to achieve a proper balance between risks incurred and the potential return to shareholders, and to confirm that there are systems in place which effectively monitor and manage those risks with a view to the long-term viability of the Company. The Board also has a responsibility to understand and review, where applicable, the derivative and hedge policies of the Company.

Section 4.9 Appointing, Training and Monitoring Directors and Management

The Board has the responsibility:

- (a) to appoint the CEO, to monitor and assess the CEO's performance, to determine the CEO's compensation in conjunction with recommendations from the HR & ESG Committee, and to provide advice and counsel in the execution of the CEO's duties;
- (b) to consider the advice of the CEO and the recommendations of the HR & ESG Committee in approving the appointment and remuneration of all Company officers;
- (c) to consider the advice and recommendation of the HR & ESG Committee to satisfy itself that adequate provision has been made for the training, development,

continuing education, and, when appropriate, the orderly succession of management;

- (d) to consider the advice and recommendation of the HR & ESG Committee to satisfy itself that adequate provision has been made for the orientation and continuing education of directors; and
- (e) to satisfy itself as to the integrity of the CEO, the integrity of the other executive officers of the Company, and to satisfy itself that the CEO and other executive officers seek to maintain a culture of integrity throughout the Company.

Section 4.10 Reporting and Communication

The Board will seek to ensure that corporate disclosure of the Company complies with all applicable laws, rules and regulations and the rules and regulations of the stock exchanges upon which the Company's securities are listed. In addition, the Board shall adopt appropriate procedures designed to permit the Board to receive feedback from shareholders on material issues.

Section 4.11 Monitoring and Acting

The Board has the responsibility:

- (a) to verify that the Company operates at all times within applicable laws and regulations and to the highest ethical and moral standards;
- (b) to approve and monitor compliance with significant policies and procedures by which the Company is operated, including its Code of Business Conduct and Ethics;
- (c) to review and approve the annual budget, annual financing plans, any payment of dividends and any new financings;
- (d) to review and approve quarterly financial reports and the annual report;
- (e) to verify that the Company sets high environmental standards in its operations and is in compliance with environmental laws and legislation;
- (f) to verify that the Company has in place appropriate programs and policies for the health and safety of its employees in the workplace;
- (g) to monitor the Company's progress towards its goals and objectives and to revise and alter its direction through management in response to changing circumstances;
- (h) to take action it deems appropriate when performance falls short of its goals and objectives or when other special circumstances warrant;
- (i) to review and direct management to establish the necessary processes and procedures to meet the Board's expectations regarding timely scheduling of Board and committee meetings and receipt of materials, reports, presentations and other information from management in a timely and efficient manner, in order to permit the Board to properly carry out its duties and responsibilities; and
- (j) to verify that the Company has implemented adequate internal control and information systems which assist in the effective discharge of its responsibilities.

Section 5. Review of Charter

The Board may, from time to time, permit departures from the terms of this Charter, either prospectively or retrospectively. This Charter is not intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, security holders, customers, suppliers, partners, competitors, employees or other persons, or to any other liability whatsoever on their part.

The Board may review and recommend changes to this Charter from time to time and the HR & ESG Committee may periodically review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.

Section 6. Meetings of the Board

In accordance with the constating documents of the Company, meetings of the Board may be held at such times and places as the Chair may determine and as many times per year as necessary to effectively carry out the Board's responsibilities.

The Chair shall be responsible for establishing or causing to be established the agenda for each Board meeting, and for ensuring that regular minutes of Board proceedings are kept and circulated on a timely basis for review and approval.

The Board may invite, at its discretion, any other individuals to attend its meetings. Senior executives of the Company shall attend a meeting if invited by the Board.

A quorum for the transaction of business at a meeting of the Board shall consist of a majority of the members of the Board and such quorum of directors may exercise all the powers of the directors.

In the absence of the Chair, the directors present at any such meeting shall choose one of the directors present at the meeting to be chair of the meeting and, in the absence of the Corporate Secretary, the Board shall choose one of the directors present at the meeting to be the corporate secretary of the meeting.

Minutes shall be kept of all meetings of the Board and shall be signed by the chair and corporate secretary of the meeting. The minutes shall be maintained with the Company's records, shall include copies of all resolutions passed at each meeting, and shall be available for review by members of any committee, the Board and management.

The independent directors should meet separately for part of each Board Meeting and otherwise as required.

Appendix C

Omnibus Plan

Capitalized terms used in this summary but not otherwise defined herein shall have the meanings given to it in the Omnibus Plan or in the Circular. The principal terms of the Omnibus Plan are as follows:

Term	Description
<u>Administration</u>	The Board is responsible for administering and interpreting the Omnibus Plan, and may delegate that responsibility to a committee consisting of at least three members.
<u>Eligible Participants</u>	The persons eligible to receive stock options (" Options "), restricted shares (" Restricted Shares "), restricted share units (" RSUs "), deferred share units (" DSUs "), share appreciation rights (" SARs ") and retention awards (" Retention Awards ", and together with the Options, the Restricted Shares, the RSUs, the DSUs and the SARs, the " Awards ") are directors, officers, senior executives and other employees of the Corporation or a subsidiary, consultants and service providers providing ongoing services to the Corporation and its affiliates, who the Board in its sole discretion determines to hold key positions in the Corporation or a subsidiary.
<u>Reserve Maximum</u>	Subject to adjustment, the total number of shares reserved and available for grant and issuance pursuant to Awards shall not exceed a number of Common Shares equal to 7.5 percent of the total issued and outstanding Common Shares at the time of granting of Awards (on a non-diluted basis) or such other number as may be approved by the TSX and the Shareholders of the Corporation from time to time. The Omnibus Plan is a "rolling plan" or "evergreen plan". This means any increase in the issued and outstanding Common Shares (whether as a result of exercise of Awards or otherwise) will result in an increase in the number of Common Shares that may be issued on Awards outstanding at any time and any increase in the number of Awards granted will, upon exercise, make new grants available under the Omnibus Plan.
<u>Current Reserve</u>	As of May 3, 2023, there were 21,025,774 Common Shares issued and outstanding. Therefore, 1,576,933 Common Shares are available to be reserved for issuance under the Omnibus Plan.
<u>Currently Issuable</u>	As of May 3, 2023, there were 295,222 Awards outstanding under the Omnibus Plan. Therefore, a total of (i) 295,222 Common Shares are potentially issuable (representing approximately 1.4% of the issued and outstanding Common Shares), and (ii) 1,281,711 Awards are available to be granted under the Omnibus Plan.
<u>Participation Limits</u>	Subject to the limits on awards to non-executive directors, the aggregate number of Common Shares (i) issued to insiders under the Omnibus Plan or any other proposed or established share compensation arrangement within any one-year period and (ii) issuable to insiders at any time under the Omnibus Plan or any other proposed or established share compensation arrangement, shall in each case not exceed seven and a half percent (7.5%) of the issued and outstanding Common Shares (on a non-diluted basis).
<u>Limits for Non-Executive Directors</u>	The value of Awards made to non-executive directors in any calendar year may not exceed \$150,000, including options whose value (using the Black-Scholes valuation methodology) does not exceed \$100,000.

Term	Description
<u>Pricing</u>	<u>Options</u> The option price for Common Shares that are the subject of any Option is determined by the Board at the time the Option is granted, but may not be less than Market Value at the time of grant. The terms of the Omnibus Plan allow for the exercise of an Option on a cashless basis. The number of Common Shares received on the cashless exercise of an Option is determined by taking (i) the difference between (A) the Market Value and (B) the exercise price of such Option, (ii) multiplying that difference by the number of Common Shares to which such Option relates, and then (iii) dividing that product by the Market Value. <u>DSUs</u> Each director may elect to be paid a percentage of his or her annual retainer in the form of DSUs. The number of DSUs an Eligible Participant is entitled to receive is calculated by taking (i) the percentage elected by the Eligible Participant, (ii) multiplying that percentage by the Eligible Participant's annual retainer, and then (iii) dividing that product by the Market Value. <u>RSUs</u> The purchase price of an RSU is determined by the Board and may be zero. <u>SARs</u> The exercise price of a SAR is fixed by the Board, but may not be less than the Market Value at the time of grant. Upon exercise, the holder is entitled to receive the number of Common Shares equal to the excess of the Market Value on the effective date of such exercise over the exercise price of the SAR. <u>Retention Awards</u> A retention award entitles an Eligible Participant to receive the number of Common Shares that is equal to the retention payment divided by the Market Value on the vesting date of the retention award. "Market Value" means at any date when the Market Value of Common Shares of the Corporation is to be determined, the closing price of the Common Shares on the trading day prior to the date of grant on the principal stock exchange on which the Common Shares are listed, or if the Common Shares are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith.
<u>Market Appreciation/Dividend Payment</u>	A holder of DSUs is entitled to receive additional DSUs (or fractions thereof) when dividends are declared and paid on Common Shares. The number of additional DSUs are based on (i) the actual amount of dividends that would have been paid if the Participant had held Common Shares under the Omnibus Plan on the applicable record date divided by (ii) the Market Value per Common Share on the date on which the dividends on Common Shares are payable.
<u>Vesting</u>	<u>Restricted Shares</u> Restrictions and conditions on the disposition of Restricted Shares, including whether there are any vesting requirements, are determined by the Board at the time of grant. <u>Options</u> Vesting conditions may be determined by the Board at the time an Option is granted. Unless otherwise determined by the Board at the time of grant, option awards vest 25% each year for four years.

Term	Description
	<u>DSUs</u> The Board may, at the time of grant, make DSUs subject to restrictions and conditions (i.e. continuing employment or achievement of pre-established performance goals). DSUs are redeemable at any time for a period beginning immediately following the date a Participant resigns or is terminated and ending 90 days following such resignation or termination. <u>RSUs</u> The relevant conditions and vesting provisions of a RSU are determined by the Board (including the performance period and criteria, if any). The Board also sets a date upon which it is determined whether the vesting conditions with respect to RSUs have been met (the “RSU Vesting Determination Date”), which date shall be no later than December 31 of the calendar year that is 3 years after the calendar year in which the RSU is granted. Unless otherwise determined at the time of grant, options shall cliff vest after 3 years from the date of grant. <u>SARs</u> The relevant conditions and vesting provisions of a SAR are determined by the Board (including the performance period and criteria, if any). <u>Retention Awards</u> The relevant conditions and vesting provisions of a Retention Award are determined by the Board (including the performance period and criteria, if any).
<u>Term</u>	<u>Restricted Shares</u> As determined by the Board on the date of issuance. <u>Options</u> The Board determines the period in which an Option is exercisable. An Option may not expire later than five (5) years from the date it is granted. <u>DSUs</u> A Participant may redeem his or her DSUs for a period beginning immediately following the date a Participant resigns or is terminated and ending 90 days following such resignation or termination. <u>RSUs</u> All of the vested RSUs covered by a particular grant may be settled at any time beginning on the first business day following the RSU Vesting Determination Date but no later than the date that is five (5) years from the RSU Vesting Determination Date. <u>SARs</u> The Board determines the period during which a SAR is exercisable, provided such period may not expire more than five (5) years from the date the SAR was granted. <u>Retention Awards</u> The relevant conditions and vesting provisions of a Retention Award are determined by the Board (including the performance period and criteria, if any).
<u>Cessation of Entitlement</u>	<u>Options, SARs and Retention Awards</u> <i>Termination for Cause.</i> Any Option, SAR or Retention Award, or any unexercised or unvested portion thereof, terminates when a Participant ceases to be an Eligible Participant for “cause”.

Term	Description
	<i>Death.</i> Any vested Option, SAR or Retention Award or the unexercised portion thereof (“Vested Award”), may be exercised by the estate of a Participant if such Participant dies while he or she is an Eligible Participant. However, a Vested Award must be exercised (i) within one (1) year of the Participant’s death or (ii) prior to the expiration of the original term of such Vested Award, whichever is earlier. <i>Disability.</i> Any Option, SAR or Retention Award, or any unexercised portion thereof, may be exercised by the Participant or his/her representative as the rights to exercise accrue. However, the Award must be exercised (i) within three (3) years of the disability, (ii) until the Participant becomes eligible for long-term disability benefits, or (iii) prior to the expiration of the original term of the Award, whichever is earlier. <i>Other.</i> If a Participant ceases to be an Eligible Participant for any reason other than for “cause”, death, or disability, the right to exercise an Option, SAR or Retention Award is limited to and expires on the earlier of (i) sixty (60) days after the date the Participant ceases to be an Eligible Participant or (ii) the expiry date of the Award set forth in the agreement pursuant to which the Award was granted. <u>RSUs</u> <i>Termination for Cause.</i> Any unvested RSUs credited to a Participant’s account are forfeited and cancelled immediately upon such Participant ceasing to be an Eligible Participant for “cause” or by resignation. <i>Cessation of Employment.</i> When a Participant retires, becomes eligible to receive long-term disability benefits, or has his or her employment terminated for reasons other than “cause” or by reason of injury or disability, such Participant’s participation in the Omnibus Plan shall be terminated immediately. Unvested RSUs shall remain in effect until the applicable RSU Vesting Determination Date. <i>Retirement.</i> If a Participant retires and becomes involved in another business or activity in the geothermal power industry prior to the applicable RSU Determination Date, then (i) if the Board determines the vesting conditions have not been met on the RSU Vesting Determination Date, the unvested RSUs of such Participant are forfeited and cancelled, or (ii) if the Board determines the vesting conditions have been met on the RSU Vesting Determination Date, such Participant is entitled to receive the number of Common Shares he or she is entitled to in respect of such RSUs adjusted for the length of service provided by the Participant to the Corporation. <i>Death.</i> If a Participant dies, his or her participation in the Omnibus Plan terminates immediately. All unvested RSUs remain in effect until the RSU Vesting Determination Date. If the Board determines the vesting conditions have not been met on the RSU Vesting Determination Date, the unvested RSUs of such deceased Participant are forfeited and cancelled. If the Board determines the vesting conditions have been met on the RSU Vesting Determination Date, such deceased Participant is entitled to receive the number of Common Shares he or she is entitled to in respect of such RSUs adjusted for the length of service provided by the Participant to the Corporation. <i>Leave of Absence.</i> If a Participant voluntarily takes a leave of absence, his or her participation in the Omnibus Plan terminates immediately. All unvested RSUs remain in effect until the RSU Vesting Determination Date. If the Board determines the vesting conditions have not been met on the RSU Vesting Determination Date, the unvested RSUs of such Participant

Term	Description
	shall be forfeited and cancelled. If the Board determines the vesting conditions have been met on the RSU Vesting Determination Date, such Participant is entitled to receive the number of Common Shares he or she is entitled to in respect of such RSUs adjusted for the length of service provided by the Participant to the Corporation. <u>Restricted Shares</u> Upon a Participant ceasing to be an Eligible Participant for any reason, any Restricted Shares that have not vested at such time are automatically reacquired by the Corporation.
<u>Assignability</u>	Awards granted under the Omnibus Plan are transferrable or assignable only to a "permitted assign". A permitted assign means the spouse of a Participant or a trustee, holding entity, or RRSP/RRIF of the Participant or his or her spouse.
<u>Amendments</u>	The Board may amend the Omnibus Plan or any Award at any time without consent of the Participants if the amendment: • does not adversely alter or impair any Award previously granted; • is subject to any applicable regulatory approvals; • is subject to Shareholder approval, where required, provided that Shareholder approval is not required for following amendments and the Board may make any changes which may include but are not limited to: ○ amendments of a "housekeeping" nature; ○ a change to the vesting provisions of any Award; ○ the introduction or amendment of a cashless exercise feature; and ○ the addition of or amendment to any form of financial assistance. Shareholder approval is required for the following amendments: • any change to the maximum number of Common Shares issuable under the Omnibus Plan, except any increase due to an adjustment or due to the evergreen nature of the plan; • any amendment that reduces the exercise price of an outstanding Award; • any amendment that extends the expiry date of an outstanding Award (other than an extension due to a black-out period); • any amendment to remove or to exceed the insider participation limit; • any amendment that would permit any Award to be transferable or assignable other than as currently permitted; and • any amendment to the amendment provisions of the Omnibus Plan. Common Shares held directly or indirectly by insiders that may benefit from certain amendments must be excluded from voting when obtaining Shareholder approval.
<u>Financial Assistance</u>	Unless otherwise determined by the Board, the Omnibus Plan does not provide for the Corporation to make any form of financial assistance in regards to the exercise of an Option.
<u>Ratification</u>	The Board has not made any grant of Awards that is subject to ratification.

Term	Description
<u>Black-out Period</u>	If the expiration date of an Option or SAR falls within a black-out period or within the nine (9) business days following the end of the black-out period, then the expiration of the Option is extended to the tenth business day following the end of the black-out period. If the settlement date of an RSU falls within a black-out period or other trading restriction imposed by the Corporation and the Participant has not delivered an RSU settlement notice, then the RSU Settlement Date is extended to the tenth business day following the end of the black-out period.
<u>Change of Control</u>	In the event of a “Change in Control”, a reorganization of the Corporation, an amalgamation of the Corporation, an arrangement involving the Corporation, a take-over bid (as that term is defined in the <i>Securities Act</i> (British Columbia)) for all of the Common Shares or the sale or disposition of all or substantially all of the property and assets of the Corporation, the Board may make such provision for the protection of the rights of the Participants as the Board in its discretion considers appropriate in the circumstances. “Change in Control” means an event whereby (i) any person becomes the beneficial owner, directly or indirectly, of 50% or more of either the issued and outstanding Common Shares or the combined voting power of the Corporation’s then outstanding voting securities entitled to vote generally; (ii) any person acquires, directly or indirectly, securities of the Corporation to which is attached the right to elect the majority of the directors of the Corporation; or (iii) the Corporation undergoes a liquidation or dissolution or sells all or substantially all of its assets.
<u>Adjustments</u>	The Omnibus Plan may be adjusted if certain changes are made to the Corporation’s capitalization (e.g. subdivision, consolidation, reclassification, or reorganization of or a distribution of assets on (other than an ordinary course dividend) the Common Shares) in order to preclude a dilution or enlargement of the benefits due to Participants under the Omnibus Plan.