THE WESTAIM CORPORATION
NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") of The Westaim Corporation (the "**Company**") will be held at Vantage Venues, 150 King Street West, 27th Floor, Toronto, ON M5H 1J9, on December 19, 2024 at 9:00 a.m. (Eastern time), subject to any adjournments or postponements thereof, for the following purposes:

1. to consider, and, if deemed advisable, pass, with or without variation, a special resolution (the full text of which is set forth in Appendix "A" of the accompanying management information circular (the "**Information Circular**")) (the "**Arrangement Resolution**") approving a plan of arrangement under section 193 of the Business Corporations Act (Alberta) (the "**Arrangement**"), whereby, among other things, the Company (a) will complete a share consolidation ("Share Consolidation") of its Common Shares on the basis of one post-share consolidation Common Share for every six pre-consolidation Common Shares, and (b) will change its jurisdiction of incorporation from the Province of Alberta in Canada to the State of Delaware in the United States of America (the "Redomiciliation") through a transaction called a "continuance" under the Business Corporations Act (Alberta) and a "domestication" under the General Corporation Law of the State of Delaware;

2. to consider, and, if deemed advisable, pass, with or without variation, an ordinary resolution (the full text of which is set forth in Appendix "B" of the Information Circular) (the "**Private Placement Resolution**") approving the purchase by, and the issuance to, Wembley Group Partners, LP (the "**Investor**") of (a) 71,878,947 Common Shares having an implied purchase price of C$4.75 per share in cash and (b) warrants to purchase 31,288,228 additional Common Shares exercisable for a period of five years following the closing, comprised of (i) warrants to purchase 7,822,057 Common Shares having an exercise price of C$4.02 per Common Share, which warrants will vest in the event the volume-weighted average price of the Common Shares on the TSX Venture Exchange or other stock exchange on which the Common Shares are listed for trading equals or exceeds C$8.00 (subject to certain adjustments) for any 30 consecutive trading day period prior to the five-year anniversary of the closing and (ii) warrants to purchase 23,466,171 Common Shares having an exercise price of C$4.75 per Common Share (collectively, the "**Private Placement**");

3. to consider, and, if deemed advisable, pass, with or without variation, an ordinary resolution approving the Arena Reorganization, as defined in the Information Circular (the "**Arena Reorganization Resolution**");

4. to consider, and, if deemed advisable, pass, with or without variation, an ordinary resolution (the "**New Equity Incentive Plan Resolution**" and collectively, with the Private Placement Resolution, the Arena Reorganization Resolution, and the Arrangement Resolution, the "**Approval Resolutions**") approving the adoption of an amended and restated equity incentive plan of the Company (the "**New Equity Incentive Plan**"); and

5. to transact such other business as may properly come before the Meeting and any adjournment(s) or postponement(s) thereof.

The board of directors of the Company (the "**Board**") and a special committee of unconflicted directors of the Company (the "**Special Committee**") each unanimously recommends that the Shareholders vote **FOR** each of the Approval Resolutions.

Each Common Share entitled to be voted in respect of each of the Approval Resolutions will entitle the holder thereof to one vote at the Meeting.

The Arrangement Resolution, to be effective, must be approved by not less than 66⅔% of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

The Private Placement Resolution, to be effective, must be approved by not less than a simple majority of the votes on the Private Placement Resolution cast by Shareholders present in person or represented by proxy at the Meeting (excluding the votes cast by the Investor and any other Shareholders that are required to be excluded in accordance with the policies of the TSXV).

The Arena Reorganization Resolution, to be effective, must be approved by not less than a simple majority of the votes on the Arena Reorganization Resolution cast by Shareholders present in person or represented by proxy at the Meeting (excluding the votes cast by Daniel Zwirn, Lawrence Cutler and any other Shareholders that are required to be excluded in accordance with Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*).

The New Equity Incentive Plan Resolution, to be effective, must be approved by not less than a simple majority of the votes on the New Equity Incentive Plan Resolution cast by Shareholders present in person or represented by proxy at the Meeting.

If the Arrangement Resolution is approved, the completion of the Arrangement (including the Share Consolidation and the Redomiciliation) is not conditioned upon the approval of any other Approval Resolutions at the Meeting and, if the Arrangement Resolution is approved, the Company may implement and effectuate the Arrangement (including the Share Consolidation and the Redomiciliation) without regard to (and prior to) the closing of any of the other transactions contemplated by the Investment Agreement.

The completion of the Arena Reorganization is a condition precedent to the closing of the Private Placement and, if the Private Placement Resolution and the Arena Reorganization Resolution are both approved, the completion of the Private Placement and the Arena Reorganization is conditioned upon the approval of (a) the Arrangement Resolution and the completion of the Share Consolidation and the Redomiciliation contemplated thereby and (b) the New Equity Incentive Plan Resolution.

The Board has fixed the close of business on November 11, 2024 (the "**Record Date**") as the record date for determining the Shareholders who are entitled to receive notice of and to vote at the Meeting. Only registered Shareholders of record at the close of business on the Record Date will be entitled to receive notice of the Meeting and vote at the Meeting.

The Information Circular provides additional information with respect to each subject matter to be addressed at the Meeting, including the Arrangement, the Private Placement, the Arena Reorganization and the New Equity Incentive Plan, and is deemed to form part of this notice of special meeting of Shareholders.

Only registered Shareholders and duly appointed proxyholders may participate and vote at the Meeting. Shareholders who are unable to attend the Meeting must follow the instructions on the enclosed proxy or voting instruction form to vote their Common Shares. Non-registered Shareholders that hold their Common Shares with a broker, dealer, bank, trust company or other intermediary who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but will not be able to vote or ask questions at the Meeting. Non-registered Shareholders who wish to attend, ask questions and vote at the Meeting must carefully follow the instructions provided by their nominee or other intermediary.

Voting by proxy will not prevent a Shareholder from voting at the Meeting if such Shareholder revokes his, her or its proxy and attends the Meeting, but will ensure that votes cast by Shareholders who are unable to attend the Meeting will be counted. In all cases, Shareholders should ensure that proxies are received by the Computershare Trust Company of Canada, located at 100 University Avenue, 8th floor, Toronto, Ontario M5J 2Y1, by no later than 48 hours (excluding weekends and holidays in the Province of Ontario) prior to the Meeting or any adjournments or postponements thereof. Assuming that there are no adjournments or postponements of the Meeting, the proxy cut-off time is 9:00 a.m. (Eastern time) on December 17, 2024 or, if the Meeting is adjourned, at least 48 hours (excluding weekends and statutory holidays in the Province of Ontario) before the adjourned Meeting is reconvened or the postponed Meeting is convened. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion, without notice. In the event of a postal disruption as a result of a Canada Post labour disruption or other cause, please see "*General Statutory Information – Appointment of Proxyholders"* and "*General Statutory Information – Revocation of Proxy"* in the Information Circular for information on how to obtain and submit a form of proxy or voting information form, as applicable.

Irrespective of whether a Shareholder expects to attend the Meeting, all Shareholders are encouraged to carefully review the Information Circular and complete the applicable form of proxy or voting instruction form as promptly as possible to ensure such Shareholders' votes will be counted at the Meeting.

Pursuant to the Arrangement, each registered Shareholder has the right to dissent in respect of the Arrangement Resolution and to be paid an amount equal to the fair value of his, her or its Common Shares as of the close of business on the business day before the Arrangement Resolution was approved. These rights to dissent to which registered Shareholders are entitled and the procedures to be followed in connection with the exercise of such dissent rights are described under the heading "*Dissent Rights*" in the Information Circular. A registered Shareholder who wishes to dissent in respect of the Arrangement Resolution must deliver a written notice of objection to The Westaim Corporation, 70 York Street, Suite 1700 Toronto, Ontario Canada M5J 1S9, Attention: J. Cameron MacDonald not later than 5:00 p.m. (Calgary time) on December 17, 2024 or, if the Meeting is adjourned or postponed, by 5:00 p.m. (Calgary time) on the business day which is two (2) business days immediately preceding the date of the Meeting, and strictly comply with the dissent procedures described in the Information Circular. Failure to strictly comply with the requirements set forth in Section 191 of the *Business Corporations Act* (Alberta) as modified by the Interim Order (as defined in the Information Circular) and the Plan of Arrangement (as defined in the Information Circular), may result in the loss of any right of dissent. Persons who are beneficial owners of the Company registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only the registered holders of Common Shares are entitled to dissent. Accordingly, a beneficial owner of Common Shares desiring to exercise this right must make arrangements for the Common Shares beneficially owned by such Shareholder to be registered in the Shareholder's name prior to the time the written objection to the Arrangement Resolution is required to be received by the Company or, alternatively, make arrangements for the registered holder of such Common Shares to dissent on the Shareholder's behalf. It is strongly suggested that any Shareholder wishing to dissent seek independent legal advice, as the failure to comply strictly with the provisions of the *Business Corporations Act* (Alberta), as modified by the Interim Order and the Plan of Arrangement, may prejudice such Shareholder's right to dissent. See "*Dissent Rights*" in the Information Circular for additional information.

DATED at Toronto, Ontario this 19th day of November, 2024.

BY ORDER OF THE BOARD

(signed) "*J. Cameron MacDonald*"

J. Cameron MacDonald
Director, President and Chief Executive Officer