

BITCOIN WELL INC.

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS OF
BITCOIN WELL INC.**

TO BE HELD ON JUNE 16, 2022

AND

MANAGEMENT INFORMATION CIRCULAR

DATED MAY 3, 2022

This management information circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult your financial, legal, tax or other professional advisor.

BITCOIN WELL INC.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON THURSDAY, JUNE 16, 2022

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (“**Common Shares**”) of Bitcoin Well Inc. (the “**Corporation**”) will be held in a virtual-only format by way of Zoom meeting at 11:00 a.m. (Edmonton time) on Thursday June 16, 2022, and at any adjournment or postponement thereof for the following purposes, as more particularly described in the accompanying management information circular (the “**Information Circular**”):

1. to receive the audited financial statements of the Corporation as at and for the financial year ended December 31, 2021, together with the notes thereto and the auditor’s report thereon (the “**Financial Statements**”);
2. to fix the number of directors to be elected at the Meeting at six (6);
3. to elect the board of directors of the Corporation (the “**Board**”) to hold office until the next annual meeting of Shareholders or until their successors are duly elected or appointed;
4. to approve the appointment of Kingston Ross Pasnak LLP as auditors of the Corporation for the ensuing year at such remuneration as may be determined by the Board;
5. to consider, and if thought fit, to pass an ordinary resolution approving certain amendments to the Corporation’s rolling stock option plan, as more particularly described in the Information Circular; and
6. to transact any other business as may properly be brought before the Meeting or any adjournment(s) or postponement thereof.

Shareholders of record at the close of business on May 2, 2022 will be entitled to vote at the Meeting. Shareholders whose names have been entered in the register of Shareholders at the close of business on that date will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent a Shareholder transfers the ownership of any of such Shareholder’s Common Shares after such date and the transferee of those Common Shares establishes that the transferee owns the shares and requests, by 4:30 p.m. (Edmonton time) not later than ten (10) days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting. If you are a non-registered Shareholder and receive these materials through your broker or another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or other intermediary. If you are a non-registered Shareholder and do not complete and return the materials in accordance with such instructions, you may lose the right to vote at the Meeting.

The Corporation has decided to use notice and access to deliver the Information Circular and its Financial Statements and related Management’s Discussion and Analysis (collectively, the “**Meeting Materials**”) to Shareholders. Notice and access is a set of rules developed by the Canadian Securities Administrators that allows companies to post meeting materials online, reducing paper and mailing costs. However, together with this Notice of Annual General and Special Meeting (the “**Notice of Meeting**”), Shareholders continue to receive a proxy (in the case of registered Shareholders) or voting instruction form (in the case of beneficial Shareholders),

enabling them to vote at the Meeting. The Corporation encourages and reminds all Shareholders to review the Information Circular before voting.

If you have given the Corporation instructions to send you printed copies of the Meeting Materials, the Information Circular accompanies this Notice of Meeting, and the Corporation has mailed you a copy of its Financial Statements and related Management's Discussion and Analysis. All other Shareholders can download the Meeting Materials from the Corporation's website at bitcoinwell.com or from the Corporation's profile on SEDAR at www.sedar.com.

For more information regarding notice-and-access or to obtain printed copies of the Meeting Materials, please contact our transfer agent, Odyssey Trust Company ("Odyssey"), via www.odysseycontact.com or by phone at 1-888-290-1175 (toll-free within North America) or 1-587-885-0960 (direct from outside North America).

In an effort to mitigate risks relating to the unprecedented health impact of COVID-19 pandemic, and its potential impact on the health and safety of our communities, Shareholders, employees and other stakeholders, and based on government recommendations to avoid large gatherings, we are holding our Meeting in a virtual-only format by way of Zoom meeting. While Shareholders will not be able to attend the Meeting in person, the online platform will provide each Shareholder with an equal opportunity to participate in real time and vote at the Meeting, regardless of geographic location or particular circumstances. The Meeting will be held in a virtual-only format by way of Zoom meeting:

Topic: Bitcoin Well Inc.: Annual General Meeting

Time: Thursday, June 16, 2022 11:00 AM Edmonton Time

Join Zoom Meeting

<https://zoom.us/j/96399057125?pwd=Y1Z6S21uanNXR0JuZVhHK1VESmVBUT09>

Meeting ID: 963 9905 7125

Passcode: Xzziq9

If you are unable to attend the Meeting virtually, Shareholders are encouraged to vote by the form of proxy pursuant to the instructions in this Notice. To be effective, you must date, sign and return the enclosed form of proxy to the Corporation's transfer agent, Odyssey Trust Company, Trader's Bank Building, Suite 702, 67 Yonge St., Toronto, Ontario, M5E 1J8, Attention: Proxy Department in the enclosed self-addressed envelope not later than 11:00 a.m. (Edmonton time) on June 14, 2022 or not less than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the time set for the Meeting or any adjournment or postponement thereof.

The instrument appointing a proxy shall be in writing and shall be executed by the Shareholder or the Shareholder's attorney authorized in writing or, if the Shareholder is a company, under its corporate seal by an officer or attorney thereof duly authorized.

The persons named in the enclosed form of proxy are directors and/or officers of the Corporation. **Each Shareholder has the right to appoint a proxyholder other than such persons, who need not be a Shareholder, to attend and to act for such Shareholder and on such Shareholder's**

behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided.

In the event of a strike, lockout or other work stoppage involving postal employees, all documents required to be delivered by a Shareholder should be delivered to Odyssey Trust Company at:

Email: proxy@odysseytrust.com
Fax: 1-800-517-4553
Internet: <https://login.odysseytrust.com/pxlogin>

DATED this 3rd day of May, 2022.

**BY ORDER OF THE BOARD OF
DIRECTORS OF BITCOIN WELL INC.**



Julian Klymochko
Chair of the Board of Directors

BITCOIN WELL INC.
ANNUAL GENERAL MEETING OF
SHAREHOLDERS TO BE HELD ON THURSDAY,
JUNE 16, 2022

MANAGEMENT INFORMATION CIRCULAR

GENERAL

This management information circular (the “**Information Circular**”) is furnished to holders (“**Shareholders**”) of common shares (“**Common Shares**”) of Bitcoin Well Inc. (the “**Corporation**”) in connection with the solicitation of proxies by the management of the Corporation for use at the Annual General Meeting (the “**Meeting**”) of Shareholders to be held in a virtual-only format by way of Zoom meeting:

Topic: Bitcoin Well Inc.: Annual General Meeting

Time: Thursday, June 16, 2022 11:00 AM Edmonton Time

Join Zoom Meeting

<https://zoom.us/j/96399057125?pwd=Y1Z6S21uanNXR0JuZVhHK1VESmVBUT09>

Meeting ID: 963 9905 7125

Passcode: Xzziq9

and at any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Annual General Meeting (the “**Notice of Meeting**”).

Unless otherwise stated, the information contained in this Information Circular is given as at May 3, 2022. Enclosed herewith is a form of proxy for use at the Meeting. Each Shareholder who is entitled to attend at meetings of Shareholders is encouraged to participate in the Meeting and Shareholders are urged to vote on matters to be considered in person (virtually) or by proxy.

If you hold Common Shares (the “**Non-Registered Shareholders**”) through a broker, investment dealer, bank, trust company, nominee or other intermediary, you should contact your intermediary for instructions and assistance in voting the Common Shares that you beneficially own.

The Corporation has decided to use notice and access to deliver this Information Circular, and the audited financial statements of the Corporation for the financial year ended December 31, 2021 together with the notes thereto and the auditors’ report thereon (the “**Financial Statements**”) and related management’s discussion and analysis (collectively, the “**Meeting Materials**”) to Shareholders. Notice and access is a set of rules developed by the Canadian Securities Administrators that allows companies to post meeting materials online, reducing paper and mailing costs. However, together with the Notice of Meeting, Shareholders will receive a proxy (in the case of registered Shareholders) or voting instruction form (in the case of Non-Registered Shareholders), enabling them to vote at the Meeting.

Instead of mailing this Information Circular to Shareholders, this Information Circular is being made available to Shareholders at bitcoinwell.com or from the Corporation’s profile on SEDAR

at www.sedar.com and has not been mailed to Shareholders. Shareholders may request, without any charge to them, a paper copy of the Meeting Materials and further information on notice and access by contacting our transfer agent, Odyssey Trust Company (“**Odyssey**”), via www.odysseycontact.com or by phone at 1-888-290-1175 (toll-free within North America) or 1-587-885-0960 (direct from outside North America).

No person has been authorized by the Corporation to give any information or make any representations in connection with the transactions herein described other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized by the Corporation.

Persons Making the Solicitation

This solicitation is made on behalf of the management of the Corporation. The costs incurred in the preparation of both the form of proxy and this Information Circular will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Corporation who will not be directly compensated therefor.

This Information Circular and other proxy-related materials are being sent to registered or beneficial owners using the notice and access procedures contained in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

The Corporation has determined not to deliver the proxy solicitation materials directory to the non-objecting beneficial Shareholders. Additionally, the Corporation does not intend to pay for intermediaries to deliver proxy-related materials or Form 54-101F7 - *Request for Voting Instructions Made by Intermediary* to the objecting beneficial owners of Common Shares (“**OBOs**”) and as such, OBOs will not receive such materials unless their intermediary assumes the costs thereof. See also *Proxy Related Information – Advice to Non-Registered Shareholders* in this Information Circular.

PROXY RELATED INFORMATION

Appointment of Proxies

Those Shareholders desiring to be represented at the Meeting by proxy must deposit their proper form of proxy to the Corporation’s transfer agent, Odyssey Trust Company, Trader’s Bank Building, Suite 702, 67 Yonge St., Toronto, Ontario M5E 1J8, Attention: Proxy Department (the “**Transfer Agent**”), in the enclosed self-addressed envelope. In order to be valid, proxies must be received by the Transfer Agent at least forty-eight (48) hours, excluding Saturdays, Sundays and statutory holidays in Alberta, prior to the Meeting or any adjournments or postponements thereof. A proxy must be executed by the Shareholder or by his duly appointed attorney authorized in writing, or if the Shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized. A proxy is valid only at the Meeting in respect of which it is given or any adjournment or postponement of the Meeting.

Registered Shareholders may use the internet site (<http://login.odysseytrust.com/pxLogin>) to vote their Common Shares. Shareholders will be prompted to enter the control number which is located on the form of proxy when voting by the internet. Votes by the internet must be received not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in Alberta) prior to the time of the Meeting or any adjournment or postponement thereof. **The website may also be used to appoint a proxyholder to attend and vote at the Meeting on the Shareholder's behalf and to convey a Shareholder's voting instructions. Please note that if a Shareholder appoints a proxyholder and submits their voting instructions and subsequently wishes to change their appointment, a Shareholder may resubmit their proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, only the most recently submitted proxy will be recognized as valid, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.**

The Corporation may refuse to recognize any form of proxy deposited in writing or by the internet received later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in Alberta) prior to the Meeting or any adjournment or postponement thereof.

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation and each is a management designee (collectively, the "**Management Designees**"). **Each Shareholder submitting a proxy has the right to appoint a person, who need not be a Shareholder, to represent him/her or it at the Meeting other than the Management Designees.** A Shareholder may exercise this right by striking out the name of the Management Designees named in the proxy and inserting the name of the desired representative in the blank space provided in the form of proxy or by completing another form of proxy and, in either case, depositing the completed proxy to the Transfer Agent, at the place and within the time specified above for the deposit of proxies.

Revocation of Proxies

A Shareholder who has given a proxy has the power to revoke it at any time prior to the exercise thereof. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing signed by the Shareholder or by the Shareholder's attorney authorized in writing, and either delivered to the Transfer Agent at the place specified above at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof, or deposited with the chairman of the Meeting prior to the commencement of the Meeting or any adjournment or postponement thereof.

Exercise of Discretion with Respect to Proxies

The Common Shares represented by the form of proxy enclosed with the accompanying Notice of Meeting and this Information Circular will be voted or withheld from voting in accordance with the instructions of the Shareholder. **In the absence of any such instruction, the Common Shares will be voted IN FAVOUR of the matters set forth in the form of proxy.**

If any amendments or variations are proposed at the Meeting or any adjournment thereof to matters set forth in the form of proxy and described in the accompanying Notice of Meeting and this

Information Circular, or if any other matters properly come before the Meeting or any adjournment thereof, the form of proxy confers upon the Shareholder's nominee, including the Management Designees, discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the person voting the proxy at the Meeting. At the date of this Information Circular, management of the Corporation knew of no such amendments or variations or other matters to come before the Meeting.

Advice to Non-Registered Shareholders

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold their Common Shares in their own name. Non-Registered Shareholders are advised that only proxies from Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in most cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation, such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, such shares will likely be registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of the Corporation do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Non-Registered Shareholders in advance of Shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Non-Registered Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Non-Registered Shareholder by its broker (or the agent of the broker) is substantially similar to the form of proxy provided directly to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Non-Registered Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Non-Registered Shareholders and asks Non-Registered Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Non-Registered Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Non-Registered Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of its broker (or agent of the broker), a Non-Registered Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. **Non-Registered Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.**

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Voting Rights

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without nominal or par value and an unlimited number of non-voting shares (“**Non-Voting Shares**”) without nominal or par value and issuable in series. As at the date of this Information Circular, there are **174,382,887** Common Shares and no Non-Voting Shares issued and outstanding. Shareholders on the Record Date (as defined below) are entitled to receive notice of and attend and vote at the Meeting.

On a show of hands, every Shareholder present in person (virtually) or represented by proxy (and entitled to vote) has one (1) vote. On a poll or ballot, every Shareholder present in person (virtually) or by proxy has one (1) vote for each Common Share held.

Record Date

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting or any adjournment or postponement thereof is May 2, 2022 (the “**Record Date**”).

Only Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date, who either attend (virtually) the Meeting or who have completed and delivered a form of proxy or voting information form in the manner and subject to the provisions described herein, as applicable, will be entitled to vote or have their Common Shares voted at the Meeting. **To the extent a Shareholder transfers the ownership of any of its Common Shares after the Record Date and the transferee of those Common Shares establishes that it owns such Common Shares and requests, at least ten (10) days before the Meeting, that the transferee’s name be included in the list of Shareholders entitled to vote at the Meeting, such transferee shall be entitled to vote such Common Shares at the Meeting.**

Principal Holders of Common Shares

To the best of the knowledge of the directors and executive officers of the Corporation, as of the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, 10% or more of the voting rights attached to all the issued and outstanding Common Shares, except as set forth below:

Name and Municipality of Residence	Number of Common Shares	Percentage of Common Shares
Adam O'Brien Sherwood Park, AB	81,534,194 ⁽¹⁾	46.76%
Richard Gauthier Sherwood Park, AB	25,566,555	14.66%

Note:

(1) Includes an aggregate of 13,039,725 of the Common Shares that are held by Mr. O'Brien personally, 68,027,179 of the Common Shares that are held by The Adam O'Brien Friends and Family Trust, a trust controlled by Mr. O'Brien, 9,163 Common Shares that are held by Mr. O'Brien's spouse and 467,290 that are held by a limited partnership controlled by Mr. O'Brien.

Quorum

Under the by-laws of the Corporation, a quorum of Shareholders is present at the Meeting if two (2) individuals present in person, each of whom is entitled to vote at a meeting, and who hold or represent by proxy in the aggregate not less than 5% of the total number of Common Shares entitled to be voted at the Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Management of the Corporation is not aware of any material interest of any director or nominee for director, or senior officer or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of directors, the appointment of auditors and as disclosed herein.

Conflicts, if any, will be subject to the procedures and remedies available under the *Business Corporations Act* (Alberta) (the "ABCA"). The ABCA provides that, in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his or her interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the ABCA.

MATTERS TO BE ACTED UPON AT THE MEETING

To the knowledge of the board of directors of the Corporation (the “**Board**”), the only matters to be brought before the Meeting are those matters set forth in the Notice of Meeting.

1. Presentation of Financial Statements

At the Meeting, Shareholders will receive and consider the Financial Statements. No vote by the Shareholders with respect to the Financial Statements is required or proposed to be taken.

2. Fixing the Number of Directors

The Board presently consists of seven (7) directors, each of whose term expires at the Meeting. At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution fixing the number of directors to be elected at the Meeting at six (6).

In order to be effective, the foregoing ordinary resolution must be approved by a simple majority of the votes cast at the Meeting by the Shareholders voting in person (virtually) or by proxy. **Unless otherwise directed, the Management Designees, if named as proxyholders, intend to vote proxies IN FAVOUR of the resolution fixing the number of directors to be elected at the Meeting at six (6).**

3. Election of Directors

At the Meeting, Shareholders will be asked to elect the six (6) nominees set forth in the table below as directors of the Corporation, to hold office until the next annual meeting of Shareholders or until their successors are duly elected or appointed. Each of the nominees, if elected as a director of the Corporation, will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected or appointed or his or her office is vacated earlier in accordance with the articles of the Corporation. Each director nominee will be elected on an individual basis and not as a member of a slate.

The following table sets forth a brief description of the nominees, including the name and province or state and country of residence of each of the nominees, the date each first became a director of the Corporation, their principal occupation during the past five (5) years and the number of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by each of the nominees as of the date of this Information Circular. The information contained herein is based upon information furnished by the respective nominees.

Name and Province or State and Country of Residence	Director Since ⁽¹⁾	Principal Occupation for Past Five Years	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽²⁾
<p>Adam O'Brien⁽³⁾ Sherwood Park, Alberta</p>	<p>Chief Executive Officer and Director Since March 2013</p>	<p>Chief Executive Officer and Promoter of the Corporation. Prior thereto, Chief Executive Officer of 1739001 Alberta Ltd. since March 2013 until the completion of the qualifying transaction. 1739001 Alberta Ltd. is a private company that carried on the business of the Corporation prior to the completion of the Corporation's qualifying transaction.</p>	<p>81,534,194</p>
<p>Julian Klymochko⁽⁴⁾⁽⁵⁾ Calgary, Alberta</p>	<p>Director (Board Chair) Since May 1, 2020</p>	<p>Chief Executive Officer and Chief Investment Officer of Accelerate Financial Technologies Inc. ("Accelerate") since February 2018. Accelerate is leading innovation in financial services as a leader in institutional-caliber hedge fund and private equity ETFs for investors seeking long-term performance. Prior thereto, Chief Investment Officer of Ross Smith Asset Management ("Ross Smith") for approximately nine (9) years. Ross Smith is an alternative asset management firm managing investment and opportunities funds on behalf of</p>	<p>1,000,000</p>

			investors in Canada.	
David Bradley ⁽⁴⁾ Calgary, Alberta	Chief Revenue Officer and Director Since May 1, 2020		Chief Revenue Officer of the Corporation. Chief Revenue Officer at 1739001 Alberta Ltd. since January 1, 2021 until the completion of the qualifying transaction. Prior thereto, Director of Strategy at 1739001 Alberta Ltd. since January 1, 2020. 1739001 Alberta Ltd. is a private company that carried on the business of the Corporation prior to the completion of the Corporation's qualifying transaction. Prior thereto, Co-Founder and President of Bull Bitcoin from 2018 to 2020, and Founder and Chief Executive Officer of Bitcoin Brains from 2013 to 2018. In 2013, Bitcoin Brains was founded as Calgary's first bitcoin physical store and brokerage.	997,475
Eric Sauze ⁽⁴⁾⁽⁵⁾ Edmonton, Alberta	Director Since May 1, 2020		Chief Financial Officer of JAG Flocomponents Ltd. a manufacturer of valves to the oil and gas industry since 2009.	233,333
Alice Reimer ⁽⁵⁾ Calgary, Alberta	Director Since April 24, 2021		Chief Executive Officer at My Gas Tank Inc. since 2018, a fintech start-up leading the digital transformation of the fleet card industry and the Site Lead of Creative Destruction Lab Rockies. Also, co-founder and director of The51 since 2019, a financial platform for democratized access to female capital for female led businesses.	-

Michèle D. McCarthy⁽⁴⁾ Toronto, Ontario	Director Since April 24, 2021	President of McCarthy Law Professional Corporation since 2003, which is a virtual general counsel to hedge funds, mutual funds and Schedule II and III banks with an emphasis on corporate governance, strategic planning, corporate and employment matters, regulatory advice and compliance. Also, President and Chief Executive Officer of Independent Review Inc. since 2019.	-
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Notes:

- (1) The Corporation’s directors will hold office until the next annual general meeting of Shareholders or until each director’s successor is appointed or elected pursuant to the ABCA.
- (2) Information as to the number of Common Shares beneficially owned or over which they exercise control or direction, has been furnished by the respective nominees.
- (3) See *Voting Securities and Principal Holders of Voting Securities – Principal Holders of Common Shares* above.
- (4) Member of the audit committee of the Corporation.
- (5) Member of the compensation and governance committee of the Corporation.

In order to be effective, the ordinary resolution in respect of the election of each nominee director must be passed by not less than a majority of the votes cast by Shareholders who vote in respect of this ordinary resolution. **Unless otherwise directed, the Management Designees, if named as proxyholders, intend to vote proxies IN FAVOUR of the election of each nominee set forth in the table above as directors of the Corporation.**

Cease Trade Orders or Bankruptcies

To the knowledge of the Corporation, no proposed director of the Corporation (nor any personal holding company of any of such persons) is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation), that: (i) was subject to a cease trade order (including a management 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, in each case that was in effect for a period of more than thirty (30) consecutive days (collectively, an “**Order**”), that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) 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.

To the knowledge of the Corporation, no proposed director of the Corporation (nor any personal holding company of any of such persons) is, as at the date of this Information Circular, or has been

within ten (10) years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties and Sanctions

To the knowledge of the Corporation, no proposed director of the Corporation (nor any personal holding company of any of such persons) has been subject to: (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director.

Personal Bankruptcies

To the knowledge of the Corporation, no proposed director of the Corporation (nor any personal holding company of any of such persons) has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

4. Appointment of Auditors

At the Meeting, Shareholders will be asked to approve the re-appointment of Kingston Ross Pasnak LLP (“**KRP LLP**”), Chartered Professional Accountants of Edmonton, Alberta, as the auditors of the Corporation, to hold office for the ensuing year until the close of the next annual meeting of Shareholders or until KRP LLP is removed from office or resigns, at such remuneration to be fixed by the Board. KRP LLP has been auditors of the Corporation since August 17, 2021. **Unless otherwise directed, the Management Designees, if named as proxyholders, intend to vote IN FAVOUR of appointing KRP LLP as auditor for the Corporation for the next ensuing year, and IN FAVOUR for authorizing the Board to fix the remuneration.**

5. Approval of Amended Stock Option Plan

The stock option plan (the “**Stock Option Plan**”) was adopted by the Corporation following the Transaction (as defined below), in accordance with the then current TSX Venture Exchange (“**TSXV**”) Policy 4.4 - *Incentive Stock Options*, which was in force prior to the amendments to such policy announced in November 2021 (the former Policy 4.4 - *Incentive Stock Options*, as at May 8, 2013, is referred to hereunder as the “**Former Policy**”). The rules of the TSXV require annual shareholder approval of “rolling” 10% stock option plans. The principal features of the Stock Option Plan, all of which adhere to the Former Policy, are described in more detail under the heading entitled “Stock Option Plans and Other Incentive Plans” below. A full copy of the

Stock Option Plan was filed on February 28, 2018 under the Corporation's profile on SEDAR and is accessible at www.sedar.com

In November 2021, the TSXV announced certain amendments to its policies regarding security based compensation which took effect immediately. In accordance with the security based compensation changes, the TSXV amended its Former Policy and renamed it Policy 4.4 - *Security Based Compensation* (the new Policy 4.4 - *Security Based Compensation*, as at November 24, 2021, is referred to hereunder as the "**New Policy**").

The Board is recommending that the Stock Option Plan, which is a rolling 10% plan under the New Policy, be amended to ensure that it complies with current requirements of the TSXV under the New Policy and to provide for new features that are permitted under the New Policy (the "**Amended Stock Option Plan**"). Subject to final approval of the TSXV, the Corporation wishes to replace the Stock Option Plan by adopting the Amended Stock Option Plan attached hereto as Schedule "B".

The material terms of the Amended Stock Option Plan are summarized below. The provisions of the Amended Stock Option Plan may not represent the maximum extent to which the New Policy changes may apply.

The Amended Stock Option Plan provides that the Board may from time to time, in its discretion, and in accordance with the TSXV requirements, grant to directors, officers, employees and consultants of the Corporation or its subsidiaries or affiliates, and employees of a person or company which provides management services to the Corporation or its subsidiaries ("**Optionees**"), non-transferable stock options to purchase Common Shares (the "**Options**") as detailed below. The Amended Stock Option Plan will permit the granting of Options to acquire Common Shares in a number that will not exceed 10% of the Corporation's issued and outstanding Common Shares.

The Amended Stock Option Plan provides that:

- (a) the total number of Common Shares issuable pursuant to the Amended Stock Option Plan shall not exceed 10% of the aggregate of the issued and outstanding Common Shares from time to time;
- (b) the maximum aggregate number of Common Shares which may be reserved for issuance to insiders (as a group) pursuant to the Amended Stock Option Plan and other security-based compensation arrangements shall not exceed 10% of the Common Shares issued and outstanding at any point in time, unless the Corporation has obtained disinterested shareholder approval;
- (c) the maximum aggregate number of Common Shares which may be reserved for issuance to insiders (as a group) within a one (1) year period pursuant to the Amended Stock Option Plan and other security-based compensation arrangements shall not exceed 10% of the Common Shares issued and outstanding, unless the Corporation has obtained disinterested shareholder approval;

- (d) the number of Common Shares subject to an Option granted to any one (1) Optionee shall be determined by the Board, but no one (1) Optionee shall be granted an Option which exceeds the maximum number permitted by the TSXV;
- (e) the maximum number of Common Shares reserved for issuance, within a one (1) year period, pursuant to the Amended Stock Option Plan and any other security-based compensation arrangements, to any one (1) Optionee shall not exceed 5% of the number of issued and outstanding Common Shares, calculated as at the date of grant or issue, unless the Corporation has obtained disinterested Shareholder approval and the grant meets applicable TSXV requirements;
- (f) the maximum number of Common Shares reserved for issuance, within a one (1) year period, pursuant to the Amended Stock Option Plan and any other security-based compensation arrangements, to any one (1) consultant of the Corporation (or its subsidiaries), shall not exceed 2% of the number of issued and outstanding Common Shares, calculated as at the date of grant or issue;
- (g) the maximum number of Common Shares reserved for issuance pursuant to the Amended Stock Option Plan, within a one (1) year period, to persons employed to provide investor relations activities, in aggregate shall not exceed 2% of the number of issued and outstanding Common Shares, calculated as at the date of grant. Options granted to consultants performing investor relations activities and any director, officer or employee whose role and duties primarily consist of investor relations activities will contain vesting provisions such that vesting occurs over at least one (1) year with no more than $\frac{1}{4}$ of the Options vesting no sooner than each of the 3, 6, 9 and 12 month anniversaries of the grant date;
- (h) the exercise price of any Option is determined by the Board, subject to the approval by the TSXV, at the time such Option is granted. In no event shall such exercise price be lower than the exercise price permitted by the TSXV;
- (i) after the exercise price has been determined by the Board and accepted by the TSXV, and the Options have been granted, the exercise price of an Option may only be reduced if at least six (6) months have elapsed since the later of the date of the commencement of the term, the date the Common Shares commenced trading or the date the exercise price was reduced. In the case of Options held by insiders of the Corporation (as defined in the TSXV policies), the exercise price may only be reduced if disinterested Shareholder approval is obtained;
- (j) disinterested shareholder approval is required for the extension of the term of any Option held by an insider at the time of the proposed amendment;
- (k) the maximum duration of an Option shall not exceed the ten (10) year maximum term permitted by the TSXV; and
- (l) if an Optionee ceases to be a director, officer, consultant or employee of the Corporation or its subsidiaries, or ceases to be an employee of a person or company

which provides management services to the Corporation or its subsidiaries, such Optionee shall be entitled to exercise an Option, to the extent it was entitled to exercise at the date of such cessation, within ninety (90) days of the cessation or within thirty (30) days of the cessation if the Optionee was engaged in investor relations activities. Notwithstanding, in the event of the death of the Optionee, the Option previously granted shall be exercisable within one (1) year after such death.

A copy of the Amended Stock Option Plan is attached hereto as Schedule “B”. The description of the Amended Stock Option Plan set forth above is qualified in its entirety by the Amended Stock Option Plan attached hereto as Schedule “B”.

The Amended Stock Option Plan is subject to TSXV acceptance, and while the terms of such plan are anticipated to be substantially as set forth herein, adjustments may be adopted by the Corporation to the extent required by the TSXV.

At the Meeting, Shareholders will be asked to consider and, if thought fit, approve an ordinary resolution in the following form:

“BE IT RESOLVED THAT:

1. subject to the final approval of the TSX Venture Exchange (the “**Exchange**”), the amended stock option plan attached as Schedule “B” to the management information circular of the Corporation dated May 3, 2022 (the “**Amended Stock Option Plan**”), be and is hereby confirmed, ratified and approved in all respects;
2. the total number of Common Shares issuable under the Amended Stock Option Plan shall not exceed 10% of the aggregate of the issued and outstanding Common Shares from time to time;
3. any one (1) director or officer of the Corporation be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution; and
4. notwithstanding that this resolution has been passed by the Shareholders of the Corporation, the adoption of the proposed Amended Stock Option Plan is conditional upon receipt of final approval from any stock exchange having jurisdiction and the directors of the Corporation are hereby authorized and empowered to revoke this resolution, without any further approval of the Shareholders of the Corporation, at any time if such revocation is considered necessary or desirable by the directors.”

In order to be passed, the foregoing resolution must be approved by the affirmative vote of a simple majority of the votes cast by the Shareholders who vote in person (virtually) or by proxy at the Meeting. **The Management Designees in the accompanying form of proxy intend, unless**

otherwise directed, to vote in favour of the resolution approving the Amended Stock Option Plan.

The Amended Stock Option Plan is subject to TSXV acceptance and if the TSXV finds the disclosure to Shareholders to be inadequate, Shareholder approval may not be accepted by the TSXV.

STATEMENT OF EXECUTIVE COMPENSATION

Background to Executive Compensation

The Corporation was incorporated on December 20, 2017 pursuant to the ABCA under the full corporate name “Red River Capital Corp.” (“**Red River**”). The Corporation completed its initial public offering on July 26, 2018 and was listed on the TSXV as a capital pool company (“**CPC**”) until it completed its qualifying transaction on June 11, 2021 (the “**Transaction**”). On June 11, 2021, in connection with the Transaction, Red River acquired 100% of the issued and outstanding securities of 1739001 Alberta Ltd. (“**173Co**”) by way of a “three-cornered” amalgamation. The Transaction resulted in a reverse take-over of Red River by the 173Co shareholders which constituted a qualifying transaction for Red River under Policy 2.4 of the TSXV Manual.

The Corporation was previously a CPC pursuant to Policy 2.4 of the TSXV, and prior to the completion of the Transaction, no compensation of any kind was permitted to be provided to the Corporation’s directors or officers, directly or indirectly, by any means, including payment of salary, other than compensation that may be provided by way of Options to purchase Common Shares in the Corporation pursuant to the Corporation’s Stock Option Plan, a copy of which is available on SEDAR at www.sedar.com. Following the completion of the Transaction, all sitting directors of Red River except Julian Klymochko resigned and were replaced by Eric Sauze, Alice Reimer, Michèle McCarthy and Carman McNary. At the same time, all officers of Red River resigned and were replaced by Adam O’Brien, as Chief Executive Officer, Mandoria Johnston, as Chief Financial Officer, David Bradley, as Chief Revenue Officer and Heather Barnhouse, as Corporate Secretary. No amounts were paid to these individuals by the Corporation in the year ended March 31, 2021.

Summary Compensation Table

Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* requires the disclosure of compensation received by each named executive officer (“**Named Executive Officer**” or “**NEO**”) and director of the Corporation for the two (2) most recently completed financial years. The following table sets forth, for the years ended March 31, 2021 and December 31, 2021⁽¹⁾, information concerning the compensation paid to the Named Executive Officers, comprised of Chief Executive Officer (“**CEO**”), Chief Financial Officer (“**CFO**”) and Chief Revenue Officer (“**CRO**”), and all the directors of the Corporation.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Adam O'Brien, CEO ⁽²⁾	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	369,792	220,165	-	-	-	589,957
Dave Bradley, CRO ⁽²⁾	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	216,494	-	-	-	-	216,494
Mandoria Johnston, CFO ^{(2) (4)}	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	147,746	-	-	-	400,000	547,746
Luke Thibodeau, Interim CFO ^{(2) (3)}	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	30,010	10,900	-	-	-	40,910
Jason Vandenberg, Interim CFO ⁽⁵⁾	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	73,300	-	-	-	-	73,300
Julian Klymochko, Board Chair	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	-	-	20,000	-	-	20,000
Carman McNary,	March 31, 2021	-	-	-	-	-	-

Board Member	December 31, 2021	-	-	20,000	-	-	20,000
Eric Sauze, Board Member	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	-	-	20,000	-	-	20,000
Michele McCarthy, Board Member	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	-	-	20,000	-	-	20,000
Alice Reimer, Board Member	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	-	-	20,000	-	-	20,000
Heather Barnhouse, Secretary	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	-	-	24,000	-	-	24,000
Michael Kesslering, Director	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	-	-	-	-	-	-
David Mcgoey, Director	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	-	-	-	-	-	-
Jason Krueger, Director	March 31, 2021	-	-	-	-	-	-
	December 31, 2021	-	-	-	-	-	-

Note:

- (1) Following the Transaction, the Corporation adopted the financial year end of 173Co, and changed its financial year end from March 31 to December 31.

- (2) For NEOs and directors, all compensation received was for NEO services performed.
- (3) Luke Thibodeau served as interim CFO for four months.
- (4) Mandoria Johnston received \$400,000 in payouts for termination benefits
- (5) Jason Vandenberg served as interim CFO for three months.

Stock Options and Other Compensation Securities

Securities legislation requires the disclosure of compensation securities received or exercised during the Corporation's most recently completed financial year for the directors of the Corporation and the NEOs. The Corporation did not have any share-based awards outstanding at the end of the most recently completed financial year. The following table discloses the option-based awards granted to the Corporation's directors and NEOs in the year ended December 31, 2021.

Compensation Securities Received							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security underlying security on date of grant (\$)	Closing price of security underlying security at year end (\$)	Expiry date
Adam O'Brien, CEO	Stock Options	294,117	September 8, 2021	0.34	0.34	0.18	July 31, 2025
Adam O'Brien, CEO	Stock Options	91,553	September 20, 2021	0.31	0.31	0.18	September 19, 2026
Dave Bradley, CRO	Stock Options	15,000	February 12, 2021	0.20	N/A	0.18	February 12, 2026
Dave Bradley, CRO	Stock Options	20,000	February 12, 2021	0.30	N/A	0.18	February 12, 2026
Julian Klymochko Board Chair	Stock Options	275,000	June 11, 2021	0.10	0.25	0.18	July 28, 2022
Julian Klymochko, Board Chair	Stock Options	166,667	May 17, 2021	0.25	0.25	0.18	July 31, 2025

Julian Klymochko, Board Chair	Stock Options	58,824	September 8, 2021	0.34	0.34	0.18	July 31, 2025
Julian Klymochko, Board Chair	Stock Options	57,464	September 20, 2021	0.31	0.31	0.18	September 19, 2026
Carman McNary, Board Member	Stock Options	166,667	May 17, 2021	0.25	0.25	0.18	July 31, 2025
Carman McNary, Board Member	Stock Options	58,824	September 8, 2021	0.34	0.34	0.18	July 31, 2025
Carman McNary, Board Member	Stock Options	57,464	September 20, 2021	0.31	0.31	0.18	September 19, 2026
Eric Sauze, Board Member	Stock Options	166,667	May 17, 2021	0.25	0.25	0.18	July 31, 2025
Eric Sauze, Board Member	Stock Options	58,824	September 8, 2021	0.34	0.34	0.18	July 31, 2025
Eric Sauze, Board Member	Stock Options	57,464	September 20, 2021	0.31	0.31	0.18	September 19, 2026
Michele McCarthy, Board Member	Stock Options	166,667	May 17, 2021	0.25	0.25	0.18	July 31, 2025
Michele McCarthy, Board Member	Stock Options	58,824	September 8, 2021	0.34	0.34	0.18	July 31, 2025
Michele McCarthy, Board Member	Stock Options	18,310	September 20, 2021	0.31	0.31	0.18	September 19, 2026
Alice Reimer, Board Member	Stock Options	166,667	May 17, 2021	0.25	0.25	0.18	July 31, 2025

Alice Reimer, Board Member	Stock Options	58,824	September 8, 2021	0.34	0.34	0.18	July 31, 2025
Alice Reimer, Board Member	Stock Options	18,310	September 20, 2021	0.31	0.31	0.18	September 19, 2026
Heather Barnhouse, Secretary	Stock Options	166,667	May 17, 2021	0.25	0.25	0.18	July 31, 2025

Note:

- (1) All options in this table vested upon issuance except the options to Dave Bradley, which vest on August 12, 2022.

The following table discloses the option-based awards exercised during the year ended December 31, 2021 by any NEOs or directors of the Corporation.

Compensation Securities Exercised							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security underlying security on date of grant (\$)	Closing price of security underlying security at year end (\$)	Expiry date
Mandoria Johnston, CFO	Stock Options	747,660	July 24, 2020	0.107	N/A	0.18	July 24, 2025

Stock Option Plans and Other Incentive Plans

The Corporation has a Stock Option Plan which permits the granting of Options to Optionees. The Stock Option Plan is intended to afford persons who provide services to the Corporation an opportunity to obtain an increased proprietary interest in the Corporation by permitting them to purchase Common Shares and to aid in attracting as well as retaining and encouraging the continued involvement of such persons with the Corporation. The Stock Option Plan is administered by the Board.

The Stock Option Plan currently limits the number of Common Shares that may be issued on exercise of Options to a number not exceeding 10% of the number of Common Shares which are outstanding from time to time. Options that are cancelled, terminated or expired prior to exercise of all or a portion thereof shall result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Stock Option Plan. As the Stock Option Plan is a “rolling” plan, the issuance of additional Common Shares by the Corporation or the exercise of Options will also give rise to additional availability under the Stock Option Plan.

The number of Common Shares issuable pursuant to Options granted under the Stock Option Plan or any other security-based compensation arrangements of the Corporation: (i) to any one (1) Optionee in a twelve (12) month period may not exceed 5% of the outstanding Common Shares; (ii) to any one (1) consultant of the Corporation (or its subsidiaries) in a twelve (12) month period may not exceed 2% of the number of issued and outstanding Common Shares; and (iii) to any person employed to provide investor relations activities may not exceed 2% of the outstanding Common Shares.

Options issued under the Stock Option Plan may be exercisable for a period not exceeding ten (10) years and vest as determined by the Board.

In the event an Optionee ceases to be a director, officer, employee or consultant of the Corporation or its subsidiaries, or employees of a person or company which provides management services to the Corporation or its subsidiaries, any Option previously granted to such Optionee shall be exercisable, to the extent it was exercisable at the date of such cessation, within ninety (90) days, or one (1) year from the date of the death of such Optionee, and then, in the event of death, only by the person or persons to whom the Optionee’s rights under the Option shall pass by the Optionee’s will or the laws of descent and distribution, and only to the extent that the Optionee was entitled to exercise the Option as at the date of the holder’s death.

Without the prior approval of the disinterested Shareholders, the Board may not: (i) grant Options to a single Optionee which would allow for such Optionee to purchase a number of Common Shares equaling more than 5% of the issued Common Shares of the Corporation in any twelve (12) month period; and (ii) reduce the exercise price of any outstanding Options held by insiders of the Corporation (as defined in the TSXV policies). Subject to the policies, rules and regulations of any lawful authority having jurisdiction (including the TSXV), the Board may amend the Stock Option Plan and Options granted thereunder at any time or terminate the Stock Option Plan, without Shareholder approval. However, consent of an Option holder is required to alter or impair any of the rights or obligations under any Option theretofore granted.

As of December 31, 2021: (i) the Corporation has 8,347,998 outstanding Options issued under the Stock Option Plan, 4,610,998 of which have vested; and (ii) the Corporation currently has no Options available for further issuance under the Stock Option Plan.

The policies of the TSXV require that the Stock Option Plan be approved every year by Shareholders. The Stock Option Plan was last approved by Shareholders at the Corporation’s annual general meeting held on September 15, 2020. In 2021, the Transaction was completed. Therefore, the Stock Option Plan needs to be approved this year.

Oversight and Description of Director and Named Executive Officer Compensation

The Board as a whole is responsible for determining the overall strategy of the Corporation and administering the Corporation's executive compensation program. The Board sets guidelines for determining the short-term and long-term compensation of Chief Executive Officer, Chief Financial Officer and Chief Revenue Officer based on their respective duties and responsibilities, their performance, the compensation of executive officers at comparable companies, compensation in previous years, the experience and skills of the officer, and any other factor the Board determines to be relevant. The Board evaluates the performance of the Chief Executive Officer and Chief Financial Officer in light of these criteria. With respect to Chief Revenue Officer compensation, the Chief Executive Officer makes a recommendation and this recommendation is reviewed by the Board.

It is also notable that in 2021, a third party firm was retained by the Board to provide external verification of appropriate compensation for the Chief Executive Officer and the Chief Financial Officer.

As a subset of the Board, the Compensation and Governance Committee is responsible for: (i) evaluating senior management; and (ii) developing appropriate compensation policies for the senior management and directors of the Corporation, including the Stock Option Plan.

Methods of compensation are salary, annual bonus and the Corporation's Stock Option Plan. The annual bonus and Stock Option Plan awards are determined near year end and are based primarily on skills and experience, duties and responsibilities carried out, compensation at comparable companies and other factors. There is also an element of considering whether or not specific objectives were achieved throughout the year. However, given the size of the Corporation and the regulatory circumstances of the industry, these milestones and objectives can change quickly and it is of high competitive value to be nimble in this marketplace. All of these practices taken together have proven to be a practical and effective approach in light of the Corporation's particular circumstances.

The Compensation and Governance Committee is also responsible for determining director compensation. Consideration is given to the respective duties and responsibilities, the performance of the director, compensation of directors at comparable companies, the experience and skills of the director and any other factor relevant at the time. In 2021, a study was completed of comparable companies which was used as a guide to ensure that director compensation was mid-range or lower and mixed between cash and equity similar to other companies.

Other than as noted above, there have been no significant changes to the company's compensation policies made during or after the most recently completed financial year end.

Pension Plan Benefits

During the year ended December 31, 2021, the Corporation did not provide a defined benefit plan or actuarial plan for its employees, officers or directors.

Securities Authorized for Issuance Under Equity Compensation Plan Information

The following table sets forth information in respect of securities authorized for issuance under the Corporation's equity compensation plans as at December 31, 2021.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column
Equity compensation plans approved by securityholders	21,571,207	0.24	4,413,509
Equity compensation plans not approved by securityholders	-	-	-
Total	21,571,207	0	4,413,509

CORPORATE GOVERNANCE DISCLOSURE

General

The Board views effective corporate governance as an essential element for the effective and efficient operation of the Corporation. The Corporation believes that effective corporate governance improves corporate performance and benefits all of its Shareholders. The following statement of corporate governance practices sets out the Board's review of the Corporation's governance practices relative to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* and National Policy 58-201 - *Corporate Governance Guidelines*.

Board of Directors

Following the Annual Meeting, the Board will likely be comprised of six (6) members, four (4) are independent within the meaning of section 1.4 of National Instrument 52-110 – *Audit Committees* (“NI 52-110”). Adam O'Brien and David Bradley are not independent on account of their roles in the management of the Corporation.

As four (4) of the members of the Board are independent, the Board believes it can function independently of management. If determined necessary or appropriate, at the end of or during each meeting of the Board or the committees thereof, the members of management of the Corporation and the non-independent directors of the Corporation who are present at such meeting may be asked to leave the meeting in order for the independent directors to meet. In addition, other meetings of the independent directors may be held from time to time if required.

Directorships

Two (2) of the Corporation's directors are currently directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction. Please see below.

Other Reporting Issuers

The following table sets out information for the proposed directors of the Corporation that are directors of other reporting issuers.

Name	Name of Reporting Issuer	Name of Trading Market	Position	From	To
Eric Sauze	Bri-Chem Corp.	TSX	Director	July 1, 2007	Present
Michèle D. McCarthy	Osisko Development Corp.	TSXV	Director	2020	Present

Orientation and Continuing Education of Board Members

While the Corporation does not currently have a formal orientation and education program for new recruits to the Board, the Corporation has historically provided such orientation and education on an informal basis. As new directors join the Board, management will provide these individuals with corporate policies, historical information about the Corporation, as well as information on the Corporation's performance and its strategic plan with an outline of the general duties and responsibilities entailed in carrying out their duties. The Board believes that these procedures will prove to be a practical and effective approach in light of the Corporation's particular circumstances, including the size of the Corporation, limited changes to members of the Board and the experience and expertise of the members of the Board.

Ethical Business Conduct

The Board is of the view that the fiduciary duties placed on individual directors pursuant to corporate legislation and the common law, and the conflict of interest provisions under corporate legislation which restricts an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Nomination of Directors

Pursuant to their mandate, the Board has the responsibility of recruiting and recommending new members to the Board. It is expected that any new candidates will be identified having regard to: (i) the competence and skills that the Board considers to be necessary for the Board, as a whole, to possess; (ii) the competence and skills that the Board considers each existing director to possess; (iii) the competencies and skills that each new nominee will bring to the boardroom; and (iv) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board. The Board reviews on a periodic basis the composition of the Board to ensure that an appropriate number of independent directors sit on the Board, and analyze the needs of the Board and recommend nominees who meet such needs.

Compensation

The Compensation and Governance Committee is responsible for determining the overall compensation strategy of the Corporation and administering the Corporation's executive compensation program. The Compensation and Governance Committee will be responsible for ensuring that the Corporation has in place an appropriate plan for executive compensation and for making recommendations to the Board with respect to the compensation of the officers of the Corporation. The Compensation and Governance Committee will ensure that total compensation paid to officers of the Corporation is fair, reasonable and consistent with the Corporation's compensation mandate. The Compensation and Governance Committee is responsible for: (i) evaluating senior management; and (ii) developing appropriate compensation policies for the senior management and directors of the Corporation, including the Stock Option Plan.

Audit

See "Audit Committee" information below.

Other Board Committees

Occasionally, there are special committees of the Board. None exist as at May 3, 2022.

Assessments

The Board monitors the adequacy of information given to directors, the communications between the Board and management and the strategic direction and processes of the Board and its audit committee ("**Audit Committee**"), to satisfy itself that the Board, its Audit Committee and its individual directors are performing effectively.

AUDIT COMMITTEE

Audit Committee Charter

The text of the Corporation's Audit Committee Charter is set forth in Schedule "A" attached hereto.

Composition of the Audit Committee

The Audit Committee of the Board consists of Eric Sauze (Chair), Michèle D. McCarthy, Julian Klymochko and David Bradley. Other than David Bradley, the remaining Audit Committee members are "Independent" as such term is defined in NI 52-110 and as required by TSXV Policy 3.1. Each Audit Committee member is "Financially Literate" as such term is defined in NI 52-110.

Eric Sauze

Mr. Sauze is the Chief Financial Officer of JAG Flocomponents Ltd., a manufacturer and distributor of valves to the North American oil & gas industry. Mr. Sauze has also held the roles of Chief Financial Officer and Chief Operating Officer with the industrial distribution companies Commercial Solutions Inc. (a TSX listed company) and CFE Industries Ltd. (a TSXV listed company). While working with the international accounting firm KPMG, he received his Chartered Professional Accountant designation (CPA) in 1992. In addition, he earned his Chartered Financial Analyst (CFA) designation in 2001. Mr. Sauze is currently a director and the Audit Committee Chair for Bri-Chem Corp., a distributor of drilling fluids listed on the TSX.

Michèle D. McCarthy

Ms. McCarthy is the President of McCarthy Law Professional Corporation and President and Chief Executive Officer of Independent Review Inc. She is an experienced corporate director and has significant experience in corporate restructuring and regulatory compliance. Ms. McCarthy is the Chair of the Audit and Risk Committee of Osisko Development Inc. (ODEV-TSXV), of Bitcoin Well (BTCW-TSXV) and a director of Russell Investments Corporate Class Inc. and of private companies. She was the Chair of the Boards of Sandy Lake Gold Inc., Big 8 Split Inc. TD Split Inc. and 5 Banc Split Inc. She also served as a director and member of the Audit Committee and Risk Management Committees at Equity Financial Holdings Inc. She is the former Chair of the Toronto Port Authority and member of the Small Business Advisory Committee of the Ontario Securities Commission. From 1997 to 2002 she was the Chief Legal Officer, Director Compliance and Corporate Secretary for Deutsche Bank Canada and Deutsche Bank Securities and created its Schedule III bank branch (1997-2002) and consulted on the reorganization of UBS Bank (Canada) and the establishment of UBS AG Canada Branch. From 2007 to 2011, she was the Chief Legal Officer, Corporate Secretary, Chief Privacy Officer, Ombudsman and Head of Compliance for GMAC Residential Funding of Canada, ResMor Trust and Ally Bank in Canada.

Within the not-for-profit sector, Ms. McCarthy serves on the boards of the McMichael Foundation, The Queen's Own Rifles of Canada (Senate) and the Honourable Company of Freemen of the City of London in North America. She also served on the boards of Canada's National Ballet School,

the St. George's Society of Toronto, the University of Toronto (Trinity College) and the Humber Memorial Hospital.

Ms. McCarthy holds an LLB and LLM in Securities Law from Osgoode Hall and has been accredited with an ICD.D designation in Canada and the CDI Certified Board Candidate in the USA.

Julian Klymochko

Mr. Klymochko is the CEO and Chief Investment Officer of Accelerate Financial Technologies Inc. ("Accelerate"). Prior to founding Accelerate in February 2018, he was the Chief Investment Officer of Ross Smith Asset Management where he managed a number of award-winning alternative investment strategies for nearly a decade. He started his career as an Analyst at BMO Capital Markets. Currently, Mr. Klymochko is the Chairman of Bitcoin Well and a Director of the CFA Society Calgary. Julian attended the University of Manitoba where he graduated with a Bachelors of Science (Engineering) and a Bachelors of Commerce (Finance), both with distinction. Mr. Klymochko is a Chartered Financial Analyst (CFA) charterholder. Mr. Klymochko has been featured in some of the world's top financial and business media including Bloomberg, CNBC, The Wall Street Journal, BNN, Business Insider and The Globe and Mail. Mr. Klymochko is the author of the book *Reminiscences of a Hedge Fund Operator* and host of the *Absolute Return Podcast*.

David Bradley

Mr. Bradley is a prominent figure in the bitcoin industry and is widely considered one of the leading experts in Canada on bitcoin, cryptocurrency and blockchain technology. Prior to his current role as the Chief Revenue Officer of the Corporation, Mr. Bradley was the Director of Strategy of 173Co. Prior thereto, Mr. Bradley founded the world's first bricks-and-mortar bitcoin store and co-founded the successful company, Bull Bitcoin, which is Canada's longest-serving bitcoin brokerage. He also serves as a Vice President for the Canadian Blockchain Consortium, Canada's largest non-profit network of blockchain companies and influencers.

Education and Experience of Audit Committee Members

Based on the individual experience and education as noted above, the Audit Committee Members have the following abilities:

	Understanding of accounting principles used to prepare financial statements	General application of such accounting principles to estimates, accruals and provisions	Experience with financial statements having a similar complexity to those of the Corporation	Understanding of internal controls and procedures for financial reporting
Eric Sauze	✓	✓	✓	✓
Michèle D. McCarthy	✓	✓	✓	✓
Julian Klymochko	✓	✓	✓	✓
David Bradley ⁽¹⁾	✓			

Note:

(1) David Bradley is a member of the Audit Committee due to his extensive experience in the industry. He is instrumental in identifying risks for the other members and assisting them in evaluating those same risks. He is also very familiar with the inner workings of the Corporation.

Audit Committee Oversight

At no time since the commencement of the Corporation’s most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Exemption

The Corporation relies on section 6.1 of NI 52-110.

External Auditor Service Fees

The aggregate fees billed by the KRP LLP in each of the last two (2) fiscal years are set out below.

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2021	\$62,500	Nil	\$4,650	Nil
December 31, 2020	\$55,000	Nil	\$1,400	Nil

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Except as disclosed below, as of the date hereof, other than indebtedness that has been entirely repaid on or before the date of this Information Circular or “routine indebtedness”, as that term is defined in Form 51-102F5, none of: (a) the individuals who are, or at any time since the beginning of the last financial year of the Corporation were, a director, officer, employee, or former director, officer or employee; (b) the proposed nominees for election as Directors; or (c) any associates of a director, executive officer or proposed nominee, is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Corporation or any subsidiary of the Corporation, or is a person whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any subsidiary.

At December 31, 2021, a related company owned by Adam O’Brien, owed the Corporation \$58,028. Repayment of this entire obligation to the Corporation is expected in 2022.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed below or elsewhere herein, none of the proposed directors, or Informed Persons (as defined in National Instrument 51-102 — *Continuous Disclosure Obligations*), and no associate or affiliate of any of them, has or has had any material interest in any transaction since the commencement of the Corporation’s most recently completed financial year or in any proposed transactions which has materially affected or would materially affect the Corporation or its subsidiaries. Julian Klymochko, a current director on the Board, held 16,667 options of 173Co prior to the Transaction. As a result, Mr. Klymochko informed the board of directors of Red River (the “**Red River Board**”) of his conflict of interest in respect of the letter of the acquisition and recused himself from voting on the letter of intent and acquisition agreement and all other matters relating to the Transaction that were approved by the Red River Board prior to the closing of the Transaction.

OTHER MATTERS COMING BEFORE THE MEETING

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matter properly comes before the Meeting, the forms of proxy furnished by the Corporation will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

Additional financial and other information is provided in the Corporation's Consolidated Financial Statements and Management's Discussion and Analysis for the financial year ended December 31, 2021. Any request for these documents can be made by contacting the Chief Executive Officer of the Corporation at 10142 82 Avenue NW, Edmonton, Alberta, T6E 1Z4. Information relating to the Corporation can also be obtained on SEDAR under the Corporation's profile at www.sedar.com.

Schedule "A"
AUDIT COMMITTEE CHARTER
OF
BITCOIN WELL INC.

Purpose

The overall purpose of the Audit Committee (the “**Committee**”) of Bitcoin Well Inc. (the “**Organization**”) is to ensure that the Organization’s management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Organization, and to review the Organization’s compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the board of directors of the Organization (the “**Board**”), through the involvement of the Committee that the external audit will be conducted independently of the Organization’s management to ensure that the independent auditors serve the interests of shareholders rather than the interests of management of the Organization. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Organization’s independent auditors.

Composition, Procedures and Organization

1. The Committee shall consist of a minimum of three (3) members of the Board.
2. A majority of the members of the Committee shall be independent and the Board, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members’ independent judgment. At least two (2) members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Organization. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Organization’s financial statements.
3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
4. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.

5. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
6. The Committee shall have access to such officers and employees of the Organization and to the Organization's external auditors, and to such information respecting the Organization, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
7. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Organization as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

Roles and Responsibilities

8. The overall duties and responsibilities of the Committee shall be as follows:
 - (a) to assist the Board in the discharge of its responsibilities relating to the Organization's accounting principles, reporting practices and internal controls and its approval of the Organization's annual and quarterly consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Organization's internal and external auditors and assess their performance;
 - (c) to ensure that the management of the Organization has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfillment of its duties and responsibilities.
9. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
 - (a) to recommend to the Board a firm of external auditors to be engaged by the Organization, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - (i) contents of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Organization's financial and auditing personnel;
 - (iv) co-operation received from the Organization's personnel during the audit;
 - (v) internal resources used;
 - (vi) significant transactions outside of the normal business of the Organization;
 - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) the non-audit services provided by the external auditors;

- (e) to discuss with the external auditors the quality and not just the acceptability of the Organization's accounting principles; and
 - (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
10. The duties and responsibilities of the Committee as they relate to the Organization's internal auditors are to:
- (a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;
 - (b) review and approve the internal audit plan; and
 - (c) review significant internal audit findings and recommendations, and management's response thereto.
11. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Organization are to:
- (a) review the appropriateness and effectiveness of the Organization's policies and business practices which impact the financial integrity of the Organization, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review compliance under the Organization's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
 - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Organization; and
 - (d) periodically review the Organization's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
12. The Committee is also charged with the responsibility to:
- (a) review the Organization's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - (i) the annual report to shareholders;
 - (ii) the AIF, if required;
 - (iii) annual and interim MD&A;
 - (iv) prospectuses;
 - (v) news releases discussing financial results of the Organization; and
 - (vi) other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
 - (c) review regulatory filings and decisions as they relate to the Organization's consolidated financial statements;
 - (d) review the appropriateness of the policies and procedures used in the preparation of the Organization's consolidated financial statements and other required

- disclosure documents, and consider recommendations for any material change to such policies;
- (e) review and report on the integrity of the Organization's consolidated financial statements;
 - (f) review the minutes of any audit committee meeting of subsidiary companies;
 - (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Organization and the manner in which such matters have been disclosed in the consolidated financial statements;
 - (h) review the Organization's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
 - (i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board following each annual general meeting of shareholders.
13. The Committee shall have the authority:
- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
 - (b) to set and pay the compensation for any advisors employed by the Committee; and
 - (c) to communicate directly with the internal and external auditors.

Caveats

14. It is not the Committee's duty to plan or conduct audits to determine that the Organization's financial statements are complete and accurate and are in accordance with international financial reporting standards or generally accepted accounting principles, as the case may be, and assure compliance with governing laws and regulations. This is the responsibility of management and the independent auditors.

Schedule “B”

STOCK OPTION PLAN OF BITCOIN WELL INC.

1. Purpose

The purpose of the Stock Option Plan (the “**Plan**”) of **Bitcoin Well Inc.**, a corporation incorporated under the *Business Corporations Act* (Alberta) (the “**Corporation**”) is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the “**Shares**”), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

2. Administration

The Plan shall be administered by the board of directors of the Corporation or by a special committee of the directors appointed from time to time by the board of directors of the Corporation pursuant to rules of procedure fixed by the board of directors (such committee or, if no such committee is appointed, the board of directors of the Corporation, is hereinafter referred to as the “**Board**”). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

3. Stock Exchange Rules

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the common shares of the Corporation are then listed and any other regulatory body having jurisdiction hereinafter (hereinafter collectively referred to as, the “**Exchange**”).

4. Shares Subject to Plan

Subject to adjustment as provided in Section 15 hereof, the Shares to be offered under the Plan shall consist of common shares of the Corporation’s authorized but unissued common shares. The aggregate number of Shares issuable upon the exercise of all options granted under the Plan, including any other security based compensation plan or agreement of the Corporation, shall not exceed 10% of the total issued and outstanding common shares of the Corporation as at the date of grant or issuance (on a non-diluted basis). If any option granted hereunder shall expire or terminate for any reason in accordance with the terms of the

Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

5. Maintenance of Sufficient Capital

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

6. Eligibility and Participation

Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries (“**Management Company Employees**”) shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as “**Participants**”). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

7. Exercise Price

- (a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange.
- (b) Once the exercise price has been determined by the Board, accepted by the Exchange and the option has been granted, the exercise price of an option may only be reduced if at least 6 months have elapsed since the later of the date of the commencement of the term, the date the Corporation’s shares commenced trading or the date the exercise price was reduced. In the case of options held by insiders of the Corporation (as defined in the policies of the Exchange), the exercise price of an option may be reduced only if disinterested shareholder approval is obtained.

8. Limitations on Issue

- (a) The number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.

- (b) The maximum aggregate number of Shares which may be reserved for issuance in any twelve month period to any one person under the Plan and any other security-based compensation arrangements of the Corporation shall be 5% of the total issued and outstanding Shares, unless disinterested shareholder approval is obtained.
- (c) The maximum aggregate number of Shares which may be reserved for issuance to insiders of the Corporation (as defined in the policies of the Exchange) (as a group) pursuant to the Plan and any other security-based compensation arrangements of the Corporation shall not exceed 10% of the Shares issued and outstanding at any point in time, unless the Corporation has obtained disinterested shareholder approval.
- (d) The maximum aggregate number of Shares which may be reserved for issuance in any twelve month period to insiders of the Corporation (as defined in the policies of the Exchange) (as a group) pursuant to the Plan and other security-based compensation arrangements of the Corporation may not exceed 10% of the Corporation's total issued and outstanding Shares, calculated as at the date of any grant or issuance to an insider, unless disinterested shareholder approval is obtained.
- (e) The maximum aggregate number of Shares reserved for issuance in any twelve month period pursuant to the Plan and other security-based compensation plans of the Corporation to any one consultant of the Corporation (or any of its subsidiaries) must not exceed 2% of the issued common shares of the Corporation, calculated as at the date of grant or issue.
- (f) The maximum aggregate number of Shares that are issuable pursuant to this Plan in any twelve month period to all consultants that perform investor relations activities and any director, officer or employee whose role and duties primarily consist of investor relations activities in aggregate must not exceed 2% of the issued common shares of the Corporation, calculated as at the date of grant. Options granted to Consultants performing investor relations activities and any director, officer or employee whose role and duties primarily consist of investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than $\frac{1}{4}$ of the options vesting no sooner than each of the 3, 6, 9 and 12 month anniversaries of the grant date.

9. Duration of Option

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11 and 12, provided that in no circumstances shall the duration of an option exceed the maximum term permitted by the Exchange. For greater certainty, if the Corporation is listed on the TSX Venture Exchange, the maximum term may not exceed 10 years from the date of grant. Disinterested shareholder approval is required for the extension of the term of any option(s) held by an insider (as defined in the Exchange policy) at the time of the proposed amendment.

10. Option Period, Consideration and Payment

- (a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 11 and 12 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.
- (b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.

- (c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, no options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.
- (d) Except as set forth in Sections 11 and 12, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- (e) The exercise of any option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares of the Corporation unless and until the certificates for Shares issuable pursuant to options under the Plan are issued to him or them under the terms of the Plan.

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

- (a) Subject to subsection (b), if a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Corporation.
- (b) If the Participant does not continue to be a director, officer, consultant, employee of the Resulting Issuer upon completion of the Corporation's Qualifying Transaction (as such terms are defined in the policies of the Exchange), the options granted hereunder must be exercised by the Participant within the later of 12 months after completion of the Qualifying Transaction and 90 days after the Participant ceases to become a director, officer, consultant or employee of the Resulting Issuer.
- (c) Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

12. Death of Participant

Notwithstanding section 11, in the event of the death of a Participant, the option previously granted to him shall be exercisable only within the one (1) year after such death and then only:

- (a) by the person or persons to whom the Participant's rights under the option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) if and to the extent that such Participant was entitled to exercise the Option at the date of his death.

13. Rights of Optionee

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

14. Proceeds from Sale of Shares

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

15. Adjustments

If the outstanding common shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, any adjustments relating to the Shares optioned or issued on exercise of options and the exercise price per Share as set forth in the respective stock option agreements shall be made in accordance to the terms of such agreements.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive, subject to the prior acceptance of the Exchange if required pursuant to the policies of the Exchange. No fractional Share shall be required to be issued under the Plan on any such adjustment.

16. Transferability

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

17. Amendment and Termination of Plan

Subject to the policies, rules and regulations of any lawful authority having jurisdiction (including any exchange on which the Common Shares are listed for trading), the Board may at any time, without further action by the shareholders, amend the Plan or any option granted hereunder in such respects as it may consider advisable and, without limiting the generality of the foregoing, it may do so to ensure that options granted hereunder will comply with any provisions respecting stock options in the income tax or other laws in force in any country or jurisdiction of which a person to whom an option has been granted may from time to time be resident or citizen or the Board may at any time, without action by shareholders, terminate the Plan. The Board may not, however, without the consent of the option holder, alter or impair any of the rights or obligations under any option theretofore granted.

18. Necessary Approvals

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of

the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation will be returned to the Participant.

19. Effective Date of Plan

The Plan has been adopted by the Board of the Corporation subject to the approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

20. Interpretation

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