

PRINCIPAL TECNOLOGIES INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON

JUNE 30, 2021

AND

MANAGEMENT INFORMATION CIRCULAR

**DATED AS OF
MAY 27, 2021**

PRINCIPAL TECHNOLOGIES INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE THAT an annual and special meeting (the “**Meeting**”) of the shareholders of Principal Technologies Inc. (the “**Company**”) will be held in the meeting room on the 25th floor of 700 West Georgia Street, Vancouver, BC V7Y 1B3, on June 30, 2021 at 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended July 31, 2020 and the auditors’ report thereon;
2. to elect the directors of the Company that will hold office until the next general meeting of the Company, with the election of Mr. Gerald Trent, His Serene Highness Prince Alfred of Liechtenstein, and Dr. Leopold Specht being conditional upon and effective as of the completion of the Company’s Qualifying Transaction;
3. conditional on and effective following the closing of the Company’s Qualifying Transaction, to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution of shareholders approving the Company’s proposed executive equity compensation arrangement, as is more particularly described in the accompanying Circular;
4. to re-appoint DMCL LLP, Chartered Professional Accountants, as auditor of the Company, until the next general meeting of the Company, and authorize the board of directors of the Company to fix the auditor’s remuneration;
5. to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution of shareholders, approving the Company’s Option Plan;
6. to consider and, if deemed appropriate, pass a resolution to approve the removal of the consequences of the Company failing to complete a Qualifying Transaction within 24 months of the Company’s date of listing on the TSX Venture Exchange, as is more particularly described in the accompanying Circular;
7. to consider and, if deemed appropriate, pass a resolution to approve the amendment of the escrow release conditions and certain other provisions of the Escrow Agreement, as is more particularly described in the accompanying Circular; and
8. to transact such other business as may be properly brought before the Meeting or any postponement or adjournment thereof.

Information relating to the items above is set forth in the Circular. Only shareholders of record as of May 21, 2021, the record date, are entitled to notice of the Meeting and to vote at the Meeting and at any adjournment or postponement thereof.

IMPACT OF COVID -19

This year, to proactively deal with the unprecedented public health impact of the ongoing novel coronavirus disease outbreak (“**COVID-19**”), to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, and in order to comply with the measures imposed by the

federal and provincial governments, **shareholders of the Company are respectfully asked not to attend in person at the Meeting**. All shareholders of the Company are strongly encouraged to cast their vote by submitting a completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described in the Circular accompanying this Notice. Access to the meeting materials are available by visiting the Company's SEDAR profile at www.sedar.com.

IMPORTANT

It is desirable that as many Common Shares as possible be represented at the Meeting. If you do not expect to attend the Meeting and would like your Common Shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. To be valid, all instruments of proxy must be delivered to the Proxy Department of TSX Trust Company, 301-100 Adelaide Street West, Toronto, Ontario, M5H 4H1 (Attention: Proxy Department) not later than 48 hours, excluding Saturdays, Sundays and statutory holidays in the City of Vancouver, prior to the time of the Meeting or any postponement or adjournment thereof. Late instruments of proxy may be accepted or rejected by the chair of the Meeting in his or her discretion but he or she is under no obligation to accept or reject any particular late instruments of proxy. As an alternative to completing and submitting an instrument of proxy, you may vote electronically on the internet at www.voteproxyonline.com or by facsimile by contacting TSX Trust Company at 416-595-9593. Shareholders who wish to vote using the internet or by facsimile should follow the instructions in the enclosed instrument of proxy.

DATED at Vancouver, British Columbia as of this 27th day of May, 2021.

By order of the board of directors of PRINCIPAL TECHNOLOGIES INC.

(signed) "John McCoach" _____

John McCoach

Interim Chief Executive Officer

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PRINCIPAL TECHNOLOGIES INC.

MANAGEMENT INFORMATION CIRCULAR

This management information circular (this “**Circular**”) is provided in connection with the solicitation of proxies by management of Principal Technologies Inc. (the “**Company**”).

Information in this Circular is given as of the 27th day of May, 2021 (the “**Effective Date**”), except as otherwise indicated. Unless otherwise indicated, dollar amounts are expressed in Canadian dollars.

GENERAL PROXY INFORMATION

1. Solicitation of Proxies

The information contained in this Circular is furnished to the holders (the “**Shareholders**”) of common shares of the Company (the “**Common Shares**”) in connection with the solicitation by management of the Company of proxies to be voted at the annual and special meeting (the “**Meeting**”) of the Shareholders to be held in the meeting room on the 25th floor of 700 West Georgia Street, Vancouver, BC V7Y 1B3, on June 30, 2021 at 10:00 a.m. (Vancouver time), or at such other time or place to which the Meeting may be postponed or adjourned, for the purposes set forth in the Notice of Meeting accompanying this Circular (the “**Notice**”).

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other means of electronic communication. The Company will pay reasonable expenses of persons who are the registered but not beneficial owners of Common Shares for forwarding copies of the Notice, Instrument of Proxy (as hereinafter defined), Circular and related material to beneficial owners.

Accompanying this Circular (and filed with applicable securities regulatory authorities) is a form of proxy for use at the Meeting (the “**Instrument of Proxy**”).

This year, to proactively deal with the unprecedented public health impact of the ongoing novel coronavirus disease outbreak (“**COVID-19**”), to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, and in order to comply with the measures imposed by the federal and provincial governments, **Shareholders of the Company are respectfully asked not to attend in person at the Meeting.** All Shareholders are strongly encouraged to cast their vote by submitting a completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described in this Circular. Access to the meeting materials are available by visiting the Company’s SEDAR profile at www.sedar.com.

2. Appointment, Time for Deposit and Revocation of Proxies

Appointment of a Proxy

Those Shareholders who wish to be represented at the Meeting by proxy must complete and deliver a proper form of proxy to the Proxy Department of TSX Trust Company, 301-100 Adelaide Street West, Toronto, Ontario, M5H 4H1 (Attention: Proxy Department). As an alternative to completing and submitting a proxy for use at the Meeting, a Shareholder may vote electronically on the internet at www.voteproxyonline.com or by facsimile by contacting TSX Trust Company at 416-595-9593. Votes cast electronically or by facsimile are in all respects equivalent to, and will be treated in the same manner as, votes cast via a paper Instrument of Proxy. Shareholders who wish to vote using internet or by facsimile should follow the instructions provided in the enclosed Instrument of Proxy. Votes cast electronically or by facsimile must be submitted no later than 10:00 a.m. (Vancouver time) on June 28, 2021 or at least 48 hours, excluding Saturdays, Sundays and statutory holidays, before any adjournment or postponement of the Meeting.

The persons named as proxyholders in the Instrument of Proxy accompanying this Circular are directors or officers of the Company and are representatives of the Company’s management for the Meeting. A Shareholder who wishes to appoint some other person (who need not be a Shareholder) as his, her or its representative at

the Meeting may do so by either: (i) crossing out the names of the management nominees AND legibly printing the other person's name in the blank space provided in the accompanying Instrument of Proxy; or (ii) completing another valid form of proxy. In either case, the completed form of proxy must be delivered to the Corporate Secretary of the Company, at the place and within the time specified herein for the deposit of proxies. A Shareholder who appoints a proxy who is someone other than the management representatives named in the Instrument of Proxy should notify the nominee of the appointment, obtain the nominee's consent to act as proxy, and provide instructions on how Common Shares are to be voted. The nominee should bring personal identification to the Meeting. In any case, the form of proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form).

In order to validly appoint a proxy, Instruments of Proxy must be received by the Proxy Department of TSX Trust Company, 301-100 Adelaide Street West, Toronto, Ontario, M5H 4H1 (Attention: Proxy Department) at least 48 hours, excluding Saturdays, Sundays and statutory holidays in the City of Toronto, prior to the time of the Meeting or any adjournment thereof. After such time, the chair of the Meeting may accept or reject a form of proxy delivered to him or her in his or her discretion but is under no obligation to accept or reject any particular late Instrument of Proxy.

Non-Registered Holders

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold Common Shares in their own name and thus are considered non-registered beneficial shareholders. Only registered holders of Common Shares or the persons they appoint as their proxyholder are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") (including, among others, banks, trust companies, securities dealers, brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSA's and similar plans) that the Non-Registered Holder deals with in respect of the Common Shares; or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant. Non-Registered Holders should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting. In accordance with the requirements of the Canadian Securities Administrators (the "**CSA**"), the Company will have distributed copies of the Notice, the Circular and the enclosed Instrument of Proxy to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. If you are a Non-Registered Holder, your Intermediary will be the entity legally entitled to vote your Common Shares at the Meeting. Common Shares held by an Intermediary can only be voted upon the instructions of the Non-Registered Holder. Without specific instructions, Intermediaries are prohibited from voting Common Shares.

Applicable regulatory policy requires Intermediaries to seek voting instructions from Non-Registered Holders in advance of the Meeting. Often, the form of proxy supplied to a Non-Registered Holder by its Intermediary is identical to the form of proxy provided to registered Shareholders; however, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Non-Registered Holder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy. The Non-Registered Holder is requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, the Non-Registered Holder may call a toll-free telephone number or access the internet to provide instructions regarding the voting of Common Shares held by the Non-Registered Holder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Non-Registered Holder receiving a voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting, as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have such Common Shares voted.

Non-Registered Holders should ensure that instructions respecting the voting of their Common Shares are communicated in a timely manner and in accordance with the instructions provided by their Intermediary or Broadridge, as applicable. Every Intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Non-Registered Holders in order to ensure that their Common Shares are voted at the Meeting.

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purpose of voting Common Shares registered in the name of their Intermediary, a Non-Registered Holder may attend the Meeting as proxyholder for the Intermediary and vote the Common Shares in that capacity. **Non-Registered Holders who wish to attend the Meeting and indirectly vote their Common Shares as a proxyholder, should enter their own names in the blank space on the Instrument of Proxy or voting instruction form provided to them by their Intermediary and/or Broadridge, as applicable, and return the same in accordance with the instructions provided by their Intermediary and/or Broadridge, as applicable, well in advance of the Meeting.**

All references to Shareholders in this Circular and the accompanying Instrument of Proxy and Notice are to registered Shareholders unless specifically stated otherwise.

The purpose of the above-noted procedures is to permit Non-Registered Holders to direct the voting of the Common Shares that they beneficially own. Non-Registered Holders should carefully follow the instructions and procedures of their Intermediary or Broadridge, as applicable, including those regarding when and where the Instrument of Proxy or voting instruction form is to be delivered.

Pursuant to National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) the Company is distributing copies of proxy-related materials in connection with the Meeting indirectly to non-objecting beneficial owners of Common Shares. The Company is not relying on the notice and access delivery procedures to distribute copies of proxy-related materials in connection with the Meeting. The Company will pay the reasonable costs of Intermediaries to deliver copies of the proxy-related materials to objecting beneficial owners.

Revoking a Proxy

A Shareholder who has validly given a proxy may revoke it for any matter upon which a vote has not already been cast by the proxyholder appointed in the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked with an instrument in writing signed and delivered to the offices of the Company at 789 West Pender Street, Suite 1510, Vancouver, British Columbia, V6C 1H2, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or deposited with the chair of the Meeting on the day of the Meeting, or any adjournment thereof. The document used to revoke a proxy must be in writing and completed and signed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. As well, a Shareholder who has given a proxy may attend the Meeting in person (or where the Shareholder is a corporation, its authorized representative may attend), revoke the proxy (by indicating such intention to the chair of the Meeting before the proxy is exercised) and vote in person (or withhold from voting). If a Shareholder has voted on the internet or by facsimile and wishes to change such vote, such Shareholder may vote again through such means before 10:00 a.m. (Vancouver time) on June 28, 2021 or at least 48 hours, excluding Saturdays, Sundays and statutory holidays, before any adjournment or postponement of the Meeting.

Signature on Proxies

The Instrument of Proxy must be executed by the Shareholder or his or her duly appointed attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer whose title must be indicated. An Instrument of Proxy signed by a person acting as attorney or in some other representative capacity should indicate that person’s capacity (following his or her signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with the Company).

Voting of Proxies

Each Shareholder may instruct his, her or its proxyholder on how to vote his, her or its Common Shares by completing the blanks on the Instrument of Proxy. **Common Shares represented by the enclosed Instrument of Proxy will be voted or withheld from voting on any motion, by ballot or otherwise, in accordance with any indicated instructions. In the absence of such direction, such Common Shares will be voted IN FAVOUR OF PASSING THE RESOLUTIONS DESCRIBED IN THE INSTRUMENT OF PROXY AND BELOW.** If any amendment or variation to the matters identified in the Notice is proposed at the Meeting or any adjournment or postponement

thereof, or if any other matters properly come before the Meeting or any adjournment or postponement thereof, the accompanying Instrument of Proxy confers discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the appointed proxyholder. As at the date of this Circular, the management of the Company knows of no such amendments or variations or other matters to come before the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Shareholders of record as of May 21, 2021 (the “**Record Date**”) are entitled to receive notice and attend and vote at the Meeting. As at the Record Date, the Company had 16,524,000 issued and outstanding Common Shares. These Common Shares are the only voting shares of the Company which are issued and outstanding as of the Record Date. Each Common Share entitles the holder to one vote in respect of any matter that may come before the Meeting.

To the knowledge of the directors and senior officers of the Company, as at the Effective Date, no person or corporation beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the issued and outstanding Common Shares other than:

Shareholder	Number of Common Shares	Percentage of Outstanding Common Shares Represented
GreenIslands Global Opportunities Fund	12,500,000	75.65%

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No directors or officers of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any one of them, is or was indebted, directly or indirectly, to the Company or its subsidiaries at any time from the date of incorporation of the Company to the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in this Circular, no director or officer of the Company, nor any proposed nominee for election as a director of the Company, nor any other insider of the Company, nor any associate or affiliate of any one of them, has or has had, at any time from the date of incorporation of the Company to the date hereof, any material interest, direct or indirect, in any transaction or proposed transaction that has materially affected or would materially affect the Company.

INTEREST OF DIRECTORS AND OFFICERS IN MATTERS TO BE ACTED UPON

Except as disclosed in this Circular, no director or senior officer of the Company, nor any proposed nominee for election as a director of the Company, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

EXECUTIVE COMPENSATION

The following disclosure of compensation earned by certain executive officers and directors of the Company in connection with their office or employment with the Company is made in accordance with the requirements of National Instrument 51-102 - *Continuous Disclosure Obligations*. Disclosure is required to be made in relation to “Named Executive Officers”, being those individuals who served as the Chief Executive Officer, Chief Financial Officer and each of the Company’s three most highly compensated executive officers, other than the Chief Executive Officer and Chief Financial Officer, whose total compensation was, individually, more than \$150,000 for the financial year.

1. Compensation Discussion and Analysis

All capitalized terms used herein shall have the meaning ascribed thereto in the CPC Policy, unless otherwise defined herein. Section 8.1 of the CPC Policy provides that until the completion of the Qualifying Transaction, no payment of any kind may be made, directly or indirectly, by a CPC to a Non-Arm's Length Party of the CPC or a Non-Arm's Length Party to the Qualifying Transaction, or to any person engaged in Investor Relations Activities in respect of the CPC or the securities of the CPC or any Resulting Issuer by any means including, (a) remuneration, which includes, but is not limited to: salaries, consulting fees, management contract fees or directors' fees, finder's fees, loans, advances, bonuses; and (b) deposits and similar payments.

The only compensation that is permitted to the directors, officers, employees and consultants of the Company, so long as it is a CPC, is the granting of incentive stock options. The objective and purpose of any incentive stock options is to encourage the Company's officers and directors to find a Qualifying Transaction that is in the best interest of the Shareholders. If a Qualifying Transaction is not successfully completed, or if one is completed that does not increase the value of the Common Shares during the term of the incentive stock option, the directors and officers will receive no benefit, or very little benefit, from any incentive stock options. The Company has reserved 400,000 Common Shares for stock options issued to its directors and officers. See "Option Plan".

Notwithstanding the above, the Company may reimburse Non-Arm's Length Parties for the Company's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market value ("**Permitted Reimbursement**"). No reimbursement may be made for any payment made to lease or buy a vehicle. In addition, no payment, other than the Permitted Reimbursements, will be made by the Company or by any party on behalf of the Company, after Completion of the Qualifying Transaction, if the payment relates to services rendered or obligations incurred or in connection with the Qualifying Transaction.

A Non-Arm's Length Party under TSXV Policy 1.1 - Interpretation ("**Policy 1.1**") in relation to the Company, includes: a Promoter, officer, director, other Insider or Control Person of the Company and any Associates or Affiliates of any such persons; or another entity or an Affiliate of that entity, if that entity or its Affiliate have the same Promoter, officer, director, Insider or Control Person as the Company. The foregoing capitalized terms not otherwise defined herein are defined in Policy 1.1.

2. Director and Named Executive Officer Compensation

In accordance with the CPC Policy, no compensation in the form of a salary, consulting fee, retainer, commission, bonus, committee fee, or meeting fee has been paid to or earned by any director or NEO for the period from incorporation to the date hereof.

Following the completion of a Qualifying Transaction by the Company, if any, it is anticipated that the Company will pay compensation to its directors and officers in accordance with industry standards, depending on the nature and size of the particular business that the Company acquires in connection with any Qualifying Transaction that it may complete.

3. Compensation Securities

The officers and directors of the Company have been granted a total of 400,000 options, each option, exercisable into one Common Share at an exercise price of \$0.10 per Common Share. 100,000 options will expire on July 3, 2021 and 300,000 options will expire on October 28, 2023.

Compensation Securities

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities (#)	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Estate of John Thompson Former Chief Executive Officer and Former Director	Stock Option	100,000	October 28, 2018	\$0.10	\$0.10	N/A	July 3, 2021 ⁽¹⁾
Frank Stronach Chief Financial Officer, Corporate Secretary, and Director	Stock Option	100,000	October 28, 2018	\$0.10	\$0.10	N/A	October 28, 2023
Azim Dhalla Director	Stock Option	100,000	October 28, 2018	\$0.10	\$0.10	N/A	October 28, 2023 ⁽²⁾
John McCoach Director	Stock Option	100,000	October 28, 2018	\$0.10	\$0.10	N/A	October 28, 2023

Notes:

- (1) In accordance with the terms of the Option Plan, the legal representatives of Mr. John Thompson may exercise his options for a period of 12 months from his death.
- (2) Such expiry date will accelerate to 90 days after Mr. Dhalla's intended resignation that is to occur effective upon completion of the Qualifying Transaction.

None of the above options have been exercised.

4. Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth the securities of the Company that are authorized for issuance under the equity compensation plans as at date hereof.

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
Equity compensation plans approved by securityholders	Nil	Nil	Nil
Equity compensation plans not approved by securityholders ⁽¹⁾	400,000	0.10	Nil

Note:

- (1) Options granted in accordance with the CPC Policy and did not require Shareholder approval.

5. Pension and Other Benefit Plans

The Company has no pension or other benefit plans currently in place.

6. Termination of Employment, Change in Responsibilities and Employment Contracts

As at the Effective Date, the Company did not have any plan, contract or arrangement, compensatory or otherwise: (1) regarding the employment of a Named Executive Officer, or (2) whereby a Named Executive Officer is entitled to receive more than \$100,000 (including periodic payments or instalments) in the event of the Named Executive Officer's resignation, retirement or employment, a change of control of the Company, or a change in the Named Executive Officer's responsibilities following a change in control of the Company.

7. Other Compensation

Other than as set forth herein, the Company did not pay any other compensation to the Named Executive Officers or directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full time employees) during the last completed fiscal year other than benefits and perquisites which did not amount to \$10,000 or greater per individual.

8. Option Plan

The Company has adopted a stock option plan dated as of October 28, 2018 (the "**Option Plan**"), which permits the board of directors of the Company (the "**Board**") to grant options to purchase up to ten percent (10%) of the issued number of Common Shares outstanding at the date of the grant. As of the Effective Date, the Option Plan is the Company's only equity compensation plan. As of the Effective Date, the Company has granted 400,000 options to purchase Common Shares of the Company.

The Option Plan provides for the grant of options to purchase Common Shares to eligible directors, officers, employees and consultants of the Company or any of its affiliates. The number of Common Shares reserved for issuance pursuant to options granted to any one optionee, other than a consultant, shall not, within any 12-month period, exceed 5% of the total number of Common Shares then issued and outstanding unless disinterested shareholder approval is obtained. The number of Common Shares issuable to any insider and such insiders' associates pursuant to options granted under the Option Plan and all other security based compensation arrangements of the Company shall not, at any time, exceed 10% of the total number of Common Shares then issued and outstanding, unless disinterested shareholder approval is obtained. The number of Common Shares issued to insiders and such insiders' associates pursuant to the Option Plan and all other security based compensation arrangements shall not, within any 12-month period, exceed 10% of the total number of Common Shares then issued and outstanding, unless disinterested shareholder approval is obtained. The number of Common Shares issued to any one consultant shall not, within any 12-month period, exceed 2% of the total number of Common Shares then issued and outstanding. The number of Common Shares issued to all persons engaged to conduct investor relations activities shall not, within any 12-month period, exceed 2% of the total number of Common Shares then issued and outstanding.

Options may be exercisable for up to 10 years from the date of grant, but the Board has the discretion to grant options that are exercisable for a shorter period. Unless otherwise determined by the Board every option awarded will be subject to certain vesting provisions in accordance with the terms of the Option Plan. Options under the Option Plan are non-assignable. Options may be exercised the greater of 12 months after the completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. In the event an optionee is terminated for cause, any outstanding options granted to such optionee will be automatically terminated on the date of cessation of the optionee's position with the Company. In the event an optionee retires, resigns or is terminated for other than cause, any outstanding options granted to such optionee may be exercised for a period of up to one year (or until the normal expiry date of the options, if earlier) following cessation of the optionee's position with the Company. In the event an optionee becomes disabled and is unable to continue in their position with the Company, any outstanding options granted to such optionee may be exercised for a period of up to one year (or until the normal

expiry date of the options, if earlier) following cessation of the optionee's position with the Company due to the disability. In the event of death of an optionee, any outstanding options granted to such optionee may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. In the event that the optionee is engaged to provide Investor Relations Activities (as defined in the policies of the TSXV) and such optionee ceases to be so engaged, other than by reason of death, the expiry date of the option will not exceed the 30th day following the termination date.

AUDIT COMMITTEE

Under National Instrument 52-110 - *Audit Committees* (“**NI 52-110**”), the Company is required to include in this Circular the disclosure required under Form 52-110F2 with respect to the audit committee (the “**Audit Committee**”) of the Board, including the composition of the Audit Committee, the text of the Audit Committee charter (attached hereto as Schedule “A”), and the fees paid to the external auditor.

1. Composition of the Audit Committee

The following are the current members of the Audit Committee:

Name	Independence	Financial Literacy
Azim Dhalla	Independent	Financially Literate
John McCoach	Independent until July 6, 2020 ⁽⁴⁾ Non-Independent	Financially Literate

Notes:

- (1) The Company is a “venture issuer” for the purposes of NI 52-110. As such, the Company is exempt from the requirement to have the Audit Committee comprised entirely of independent members.
- (2) The Chair of the Audit Committee is John McCoach.
- (3) John Thompson was a non-independent member of the audit committee because he was Chief Executive Officer of the Company until his death on July 3, 2020.
- (4) John McCoach was an independent member of the Audit Committee until July 6, 2020. He became a non-independent member of the audit committee by assuming the role of Interim Chief Executive Officer of the Company after the death of John Thompson on July 6, 2020.

2. Relevant Education and Experience

Azim Dhalla – Director

Azim Dhalla, age 66, is an Audit Committee Member and a director of the Company since April 3, 2018.

Mr. Dhalla co-founded Foremost Capital Corp. in 2013 and served as its Chief Executive Officer and Chief Compliance Officer until December 2017. Mr. Dhalla served as Chief Executive Officer, President, Chief Financial Officer and Corporate Secretary of Miza Enterprises Inc. from March 21, 2016 to December 9, 2016. He served as a Director of Miza Enterprises Inc. from October 2014 to December 9, 2016. He has been a Director of Pacific-Link Capital Inc. since October 16, 2014. Mr. Dhalla served as Director of Leis Industries Ltd. from February 25, 2014 until September 1, 2016.

John McCoach – Director

Mr. McCoach, has been a director of the Company since April 3, 2018.

Mr. McCoach held multiple senior positions in various companies. John McCoach retired from full time employment in 2016. At that time, he was President of the TSX Venture Exchange Inc. He had been a member of the Capital Markets Authority Implementation Organisation Regulatory Authority Board of Directors from August, 2016 through

March, 2021. He has also held the roles of Lead Director, Chairman of the Governance Committee, Member of the Audit Committee, Member of the Compensation Committee of Liberty Defense Holdings, Ltd. since 2019. From October 2017 to May 2019, he was a director, the Chairman of the Audit Committee and member of the Human Resources and Compensation Committee of Nautilus Minerals Inc. From June 2018 to May 2019, he served as Interim CEO of Nautilus Minerals Inc. Furthermore, since 2018 he has been a director of Connaught Ventures Inc. Finally, he is currently a director of KWESST Micro Systems Inc. (formerly Foremost Ventures Corp.), a position he has held since 2018.

3. Audit Committee Oversight

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

4. Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial period has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

The Company is relying on the exemption provided in Section 6.1 of NI 52-110 as the Company is a "venture issuer".

5. Audit Committee Charter

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in Schedule "A" attached hereto.

6. External Auditor Service Fees (By Category)

The following table provides details in respect of audit, audit related, tax and other fees billed by the Company's external auditor in each of the last two financial years:

Period	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
Fees paid to the external auditor during financial year ended July 31, 2019	\$7,439.67	\$0	\$0	\$0
Fees paid to the external auditor during financial year ended July 31, 2020	\$7,971.08	\$0	\$0	\$0

CORPORATE GOVERNANCE

The Board assumes overall responsibility for the direction of the Company through its delegation to senior management and through the ongoing function of the Board and its committees, as applicable. The sole business activity of the Company to date has been the identification of a potential qualifying transaction.

There are three directors on the Board, of which John McCoach (Interim CEO) and Frank Stronach (CFO) are not independent directors, while Azim Dhalla is an independent director.

MATTERS TO BE CONSIDERED AT THE MEETING

To the knowledge of the Board, the only matters to be brought before the Meeting are set forth in the accompanying Notice of Meeting. These matters are described in more detail under the headings below.

1. Financial Statements

The audited financial statements of the Company and the auditors' report thereon to be received by the Shareholders at the Meeting are as at and for the financial year ended July 31, 2020. The annual financial statements were audited by DMCL LLP Chartered Professional Accountants of Vancouver, British Columbia.

2. Election of Directors

Directors will be elected at the Meeting. Shareholders will be asked to elect Mr. Azim Dhalla, Mr. John McCoach, Mr. Frank Stronach, Mr. Gerald Trent, His Serene Highness Prince Alfred of Liechtenstein, and Dr. Leopold Specht to the Board (collectively, the “**Nominees**”), with the election of Mr. Gerald Trent, His Serene Highness Prince Alfred of Liechtenstein, and Dr. Leopold Specht being conditional upon the completion of the Company's Qualifying Transaction. Mr. Azim Dhall will resign from the board upon the completion of the Company's Qualifying Transaction. Subject to the foregoing, if elected, each such Nominee will be elected to hold office effective until the earlier of: (a) the next annual general meeting of the Company; (b) in the case of Mr. Azim Dhalla, the completion of the Company's Qualifying Transaction; or (c) his successor is duly elected or appointed in accordance with the *Business Corporations Act* (British Columbia) and the Articles of the Company, unless his office is vacated earlier.

Voting for the election of the Nominees will be conducted on an individual, and not slate basis. Shareholders can vote for all of the proposed directors set forth herein, vote for some of them and withhold for others, or withhold for all of them. **It is the intention of the management designees, if named as proxy, to vote FOR the election of said persons to the board of directors.**

The following is a brief description of the Nominees proposed, including their principal occupation for the past five (5) years, all positions and offices with the Company held by them and the number of Common Shares that they have advised are beneficially owned, directly or indirectly, by them or over which control or direction is exercised by them, as at the Record Date.

Name Municipality of Residence	Current Position and Office	Principal Occupations for the Past 5 Years ⁽¹⁾	Common Shares Beneficially Owned Directly or Indirectly ⁽¹⁾
Azim Dhalla ⁽²⁾⁽³⁾⁽⁴⁾ Vancouver, British Columbia	Director	Co-founder of Foremost Capital Corp. and Chief Executive Officer and Chief Compliance Officer from 2013 to 2017. Chief Executive Officer, President, Chief Financial Officer and Corporate Secretary of Miza Enterprises Inc. from March 21, 2016 to December 9, 2016.	500,000
John McCoach ⁽²⁾⁽⁴⁾ North Vancouver, British Columbia	Interim Chief Executive Officer and Director	President of TSX Venture Exchange Inc. from August 2009 to December 31, 2016. Currently retired.	500,000
Frank Stronach Vancouver, British Columbia	Chief Financial Officer, Corporate Secretary, and Director	Vice President of Investment Banking at Haywood Securities Inc. from May 2004 to February 2017. Currently retired.	500,000

Gerald Trent Vienna, Austria ⁽⁵⁾	-	Founder of Trent Investments (January 2009 to Current) Head of Global Markets & Investment Banking, Sberbank Europe AG (February 2017 to December 2018) Head of M&A, PwC Austria (January 2013 to January 2017)	Nil
His Serene Highness Prince Alfred of Liechtenstein Liechtenstein	-	His Serene Highness Prince Alfred of Liechtenstein (Current)	Nil
Dr. Leopold Specht Vienna, Austria	-	Attorney at Law	Nil

Notes

- (1) The information as to principal occupation and shares owned has been furnished by the respective directors individually.
- (2) Mr. Azim Dhalla will resign from the Board effective upon the completion of the Company's Qualifying Transaction.
- (3) Azim Dhalla is considered to be a Promoter of the Company in that he took the initiative in founding and organizing the Company.
- (4) Member of current Audit Committee. Upon the completion of the Company's Qualifying Transaction, it is anticipated that the Audit Committee will be comprised of Mr. John McCoach, His Serene Highness Prince Alfred of Liechtenstein and Dr. Leopold Specht.
- (5) Upon the completion of the Company's Qualifying Transaction, it is anticipated that Mr. Gerald Trent will be appointed as the Company's President and CEO.

Azim Dhalla, Director, Age 66

Mr. Dhalla, has been a director of the Company since April 3, 2018.

Mr. Dhalla co-founded Foremost Capital Corp. in 2013 and served as its Chief Executive Officer and Chief Compliance Officer until December 2017. Mr. Dhalla served as Chief Executive Officer, President, Chief Financial Officer and Corporate Secretary of Miza Enterprises Inc. from March 21, 2016 to December 9, 2016. He served as a Director of Miza Enterprises Inc. from October 2014 to December 9, 2016. He has been a Director of Pacific-Link Capital Inc. since October 16, 2014. Mr. Dhalla served as Director of Leis Industries Ltd. from February 25, 2014 until September 1, 2016.

John McCoach, Director, Age 63

Mr. McCoach, has been a director of the Company since April 3, 2018.

Mr. McCoach held multiple senior positions in various companies. John McCoach retired from full time employment in 2016. At that time, he was President of the TSX Venture Exchange Inc. He had been a member of the Capital Markets Authority Implementation Organisation Regulatory Authority Board of Directors from August, 2016 through March, 2021. He has also held the roles of Lead Director, Chairman of the Governance Committee, Member of the Audit Committee, Member of the Compensation Committee of Liberty Defense Holdings, Ltd. since 2019. From October 2017 to May 2019, he was a director, the Chairman of the Audit Committee and member of the Human Resources and Compensation Committee of Nautilus Minerals Inc. From June 2018 to May 2019, he served as Interim CEO of Nautilus Minerals Inc. Furthermore, since 2018 he has been a director of Connaught Ventures Inc. Finally, he is currently a director of KWESST Micro Systems Inc. (formerly Foremost Ventures Corp.), a position he has held since 2018.

Frank Stronach, Chief Financial Officer, Corporate Secretary, and Director, Age 70

Mr. Stronach, has been Chief Financial Officer and a director of the Company since its incorporation on April 3, 2018.

Mr. Stronach was employed at Haywood Securities Inc. in the position of Vice President of Investment Banking from May 2004 to March 2017. He joined Haywood Securities Inc. in May 2004 after 9 years with Union Securities Ltd.'s corporate finance group. Previously, Mr. Stronach spent 6 years with the Vancouver Stock Exchange, leaving his

position as Manager, Listing Policy. Mr. Stronach holds an MBA degree from Queen’s University and a Bachelor of Arts degree from the University of Victoria and is also a Chartered Accountant with 8 years’ experience with KPMG.

In his capacity as director and officer, it is anticipated he will devote approximately 25% of his time to the business and affairs of the Resulting Issuer. Prior to Closing, Mr. Stronach and the Company will enter into an agreement providing for non-competition and confidentiality restrictions with the Resulting Issuer.

Gerald Trent, Proposed President, Proposed Chief Executive Officer and Director, Age 44

Mr. Trent held multiple senior positions in various companies. Mr. Trent is the founder and managing director of Trent Investments, a direct investment multi-family office for ultra-high net worth individuals in Europe. Formerly he worked as Head of Global Markets & Investment Banking at Sberbank Europe AG and Head of M&A of PwC Austria (Pricewaterhouse Coopers).

Prinz von Liechtenstein, Proposed Director, Age 69

Prinz von Liechtenstein, is a member of the Princely Family of Liechtenstein. He conducted his studies at the University of Vienna in economics and information technology, as well as politics. Since 1976, Prinz von Liechtenstein has been managing director and board and supervisory board member of several international enterprises operating in multiple areas, such as trade, business advisory, and financial services. His Serene Highness is, among other engagements, also owner and executive director of the supervisory board of a five-star chalet hotel in Corinthia, Austria.

Dr. Leopold Specht, Proposed Director, Age 65

Dr. Specht, is an international legal expert in the areas of international taxation, project financing, cross-boarder mergers and acquisitions, and corporate law, and taught at Harvard Law School, University of Naples, Northeastern University School of Law, to name a few. He conducted his studies at Harvard Law School, University of Rome, and University of Vienna. Dr. Specht is the founder and managing partner of the international law firm Specht & Partner, with offices in Vienna, Moscow, Prague, Budapest, Belgrade, and Zagreb and is fluent in five languages (German, English, Russian, Italian, French). He is also Managing Director of Dr. Leopold Specht Beteiligungs- und Vermoögensverwaltung GmbH since 1996 and of Specht Asset Management Services GmbH since 2007. Dr. Specht is also Director of Drazenowitsch-Hering-Privatstiftung since 2000 as well as Supervisory Board Member of Amalgaro Investment SE since 2019 and of ALMDORF ‘Seinerzeit’ Touristik Aktiengesellschaft since 1994.

Other Reporting Issuer Experience

The following table sets out the directors, officers and promoter(s) of the Company that are, or have been within the last five years, directors, officers or promoters of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position	Period (month/year)
Azim Dhalla	Goldblock Capital Inc.	Canadian Securities Exchange	Director	1/2018 to present
	Foremost Ventures Corp.	TSX Venture Exchange	Director	11/2017 to 9/2020
	BeMetals Corp.	TSX Venture Exchange	CEO, CFO, Corporate Secretary and Director	10/2014 to 12/2016
	Leis Industries Limited	TSX Venture Exchange	Director	2/2014 to 9/2016

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position	Period (month/year)
Frank Stronach	Rainy Hollow Ventures Inc.	TSX Venture Exchange	Director	01/2018 to 04/2021
	KWESST Micro Systems Inc.	TSX Venture Exchange	CFO, Corporate Secretary, Director	11/2017 to 09/2020
John McCoach	Liberty Defense Holdings, Ltd.	TSX Venture Exchange	Director	04/2019 to present
	KWESST Micro Systems Inc.	TSX Venture Exchange	Director	11/2017 to present
	Nautilus Minerals Inc.	Toronto Stock Exchange	Senior Officer and Director	10/2017 to 05/2019
	Lincoln Ventures Ltd.	TSX Venture Exchange	Director	06/2019 to 05/2020
	Seaway Energy Services Inc.	TSX Venture Exchange	Director	12/2017 to 04/2019

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, no director, officer, Insider or Promoter or a shareholder holding a sufficient number of securities to affect materially the control of the Company is, or within 10 years before the date of the Circular, has been, a director, officer, Insider or Promoter of any other issuer that, while that person was acting in that capacity, was the subject of a cease trade or similar order, or an order that denied such issuer access to any statutory exemptions for a period of more than 30 consecutive days or 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.

John McCoach was formerly a director and interim CEO of Nautilus Minerals Inc., a Toronto Stock Exchange-listed company. Nautilus Minerals Inc. was not able to secure the funding it needed to proceed with its projects. In February 2019, Nautilus Minerals Inc. filed for creditor protection under the Companies' Creditors Arrangement Act program.

Penalties or Sanctions

Except as disclosed below, none of the proposed directors comprising the Nominees is, as at the date hereof, or has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

The persons designated as proxyholders in the accompanying Instrument of Proxy (absent contrary directions) intend to vote FOR all of the Nominees as set forth above and therein. The Company does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, **proxies held by the persons designated as proxyholders in the accompanying Instrument of Proxy will be voted for another nominee in their discretion unless the Shareholder has specified in his or her form Instrument of Proxy that his or her Common Shares are to be withheld from voting in the election of directors.**

3. Approval of Performance Fee

The TSX Venture Exchange (the “**Exchange**”) requires all listed companies with equity compensation plans to obtain shareholder approval of such plan. Shareholders will be asked at the Meeting to vote on a resolution to approve the following Executive Equity Compensation Plan.

Upon the completion of the Qualifying Transaction, and pursuant to an agreement (the “**CEO Services Agreement**”) for CEO services with the professional service corporation of Mr. Gerald Trent, the Company intends to provide an annual performance fee (the “**Performance Fee**”) as partial consideration for the services under the CEO Services Agreement. The Performance Fee will be payable in Common Shares and equal to 20% of the value of the increase (if any) of the Company as measured by Price Change (as defined below) multiplied by the total number of issued and outstanding Common Shares as at December 31 during the current year. The “**Price Change**” will be calculated as follows:

1. the volume weighted average share price of the Common Shares on the Exchange (the “**VWAP**”) for the month of December immediately preceding the current year; and
2. the VWAP for the month of December during the current year.

In order to determine the Performance Fee, if any, in the first year following completion of the Qualifying Transaction, the initial VWAP will be calculated based on the 20 trading days immediately following the completion of the Qualifying Transaction. Share consolidations and share splits will be factored into calculations to obtain an accurate determination of the value of the Company.

The Performance Fees shall be payable in Common Shares of the Company, at an issue price equal to the trading day preceding January 10 in the year following the current year.

The following table sets out illustrative scenarios of Common Shares that may become issuable under the CEO Services Agreement based off various increases or decreases in applicable VWAPs (and assuming the number of issued and outstanding Common Shares of the Company remains constant at):

Preceding Year VWAP ⁽¹⁾	Current Year VWAP	Current Year Value ⁽¹⁾	Increase in Value	Performance Fee	Common Shares Issuable ⁽²⁾
\$0.16	\$0.10	\$1,652,400.00	Nil	Nil	Nil
\$0.16	\$0.15	\$2,478,600.00	Nil	Nil	Nil
\$0.16	\$0.20	\$3,304,800.00	\$660,960.00	\$132,192.00	660,960.00
\$0.16	\$0.25	\$4,131,000.00	\$1,487,160.00	\$297,432.00	1,189,728.00
\$0.16	\$0.30	\$4,957,200.00	\$2,313,360.00	\$462,672.00	1,542,240.00

Note:

- (1) \$0.16 was used for reference as it constitutes the last trading price of the Common Shares on the Exchange prior to the date of this Circular.
- (2) The Current Year Value assumes that the total number of issued and outstanding Common Shares remains at 16,524,000.
- (3) The Common Shares Issuable assumes that the trading day immediately preceding January 10 of the year following the current year equals the Current Year VWAP.

At the Meeting, the disinterested Shareholders will be asked to approve the following resolutions:

“BE IT RESOLVED THAT:

- (a) The Performance Fee of the Company as described in this Management Information Circular of the Company dated as of May 27, 2021, be and is hereby ratified and approved, subject to any minor change required by the TSX Venture Exchange; and
- (b) any one director or officer of the Company be and is authorized to make all such arrangements, to do all acts and things and to sign and execute all documents and instruments in writing, whether under the corporate seal of the Company or otherwise, as may be considered necessary or advisable to give full force and effect to the foregoing.”

The resolutions must be approved by a simple majority approval of the votes cast at the meeting by the disinterested holders of Common Shares not entitled to receive the Performance Fee. If the Performance Fee is not approved by the disinterested Shareholders, the Company will have to consider other methods of compensating its executive officers.

If named as proxy, the management designees intend to vote the Shares represented by such proxy FOR approval of the Performance Fee, unless otherwise directed in the instrument of the proxy.

4. Appointment of Auditors

Shareholders of the Company will be asked at the Meeting to appoint auditors of the Company. It is proposed that DMCL LLP Chartered Professional Accountants, the current auditors of the Company, be re-appointed as auditors of the Company at the Meeting for the ensuing year, and to authorize the Board to fix the auditors’ remuneration.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the appointment of DMCL LLP Chartered Professional Accountants as the auditors of the Company to hold office until the next annual meeting of Shareholders, at a remuneration to be fixed by the directors. To be adopted, this resolution is required to be passed by the affirmative vote of a majority of the votes cast at the Meeting.

The Board unanimously recommends that Shareholders vote in favour of the re-appointment of DMCL LLP Chartered Professional Accountants, and the authorization of the Board to fix their remuneration.

5. Approval of Option Plan

The Exchange requires all listed companies with a ten percent (10%) rolling stock option plan to obtain annual shareholder approval of such plan. Shareholders will be asked at the Meeting to vote on a resolution to approve the Option Plan for the ensuing year.

The Option Plan

The Option Plan provides that the board of directors of the Company (the “**Board**”) may, from time to time and at its discretion, grant to directors, officers, employees and consultants of the Company, or any subsidiary of the Company, the option to purchase Common Shares. Upon the completion of the Company’s Qualifying Transaction, the Option Plan provides for a rolling maximum limit of ten percent (10%) of the outstanding Common Shares, as permitted by the Policies of the Exchange. On May 21, 2021 this represents 1,652,400 Common Shares available under the Option Plan. To date, outstanding options to purchase a total of 400,000 Common Shares have been issued to directors, officers, employees and consultants of the Company.

Upon the completion of the Company’s Qualifying Transaction, the number of Common Shares reserved for any one person may not exceed five percent (5%) of the outstanding Common Shares. The board of directors determines the price per Common Share and the number of Common Shares that may be allotted to each director, officer, employee and consultant and all other terms and conditions of the options, subject to the rules of the Exchange. The price per Common Share set by the directors is subject to minimum pricing restrictions set by the Exchange.

Options may be exercisable for up to ten (10) years from the date of grant, but the board of directors has the discretion to grant options that are exercisable for a shorter period. Options granted under the Option Plan do not require vesting provisions, although the Board may attach a vesting period or periods to individual grants as it deems appropriate. Options under the Option Plan are non-assignable and non-transferable. If prior to the exercise of an option, the holder ceases to be a director, officer, employee or consultant, the option shall be limited to the number of Common Shares purchasable by him immediately prior to the time of his cessation of office or employment and he shall have no right to purchase any other Common Shares. The full text of the Option Plan will be available for review at the Meeting and will be supplied free of charge to Shareholders upon written request made directly to the Company at its registered head office located at Suite 2500, 700 West Pender Street, Vancouver, British Columbia, V7Y 1B3, Attention: Chief Executive Officer.

At the Meeting, the Shareholders will be asked to approve the following resolutions:

“BE IT RESOLVED THAT:

- (a) The stock option plan of the Company as described in this Management Information Circular of the Company dated as of May 27, 2021, be and is hereby ratified and approved for the ensuing year, subject to any minor change required by the TSX Venture Exchange; and
- (b) any one director or officer of the Company be and is authorized to make all such arrangements, to do all acts and things and to sign and execute all documents and instruments in writing, whether under the corporate seal of the Company or otherwise, as may be considered necessary or advisable to give full force and effect to the foregoing.”

The resolutions must be approved by a simple majority approval of the votes cast at the meeting by the holders of Common Shares. If the Option Plan is not approved by the Shareholders, the Company will have to consider other methods of compensating and providing incentives to directors, officers, employees and consultants.

If named as proxy, the management designees intend to vote the Shares represented by such proxy FOR approval of the Option Plan, unless otherwise directed in the instrument of the proxy.

6. Removal of the Consequences of Failing to Complete a Qualifying Transaction Within 24 Months of Listing

Currently, if the Company fails to complete a Qualifying Transaction within 24 months of the date its Common Shares became listed and posted for trading on the Exchange, it faces the consequences of either (i) the potential delisting or suspension of the Common Shares on Exchange, or (ii) subject to the approval of the majority of Shareholders, transferring the Common Shares to list on the NEX board of the Exchange and cancelling certain seed Common Shares held by Non-Arm’s Length Parties to the Company (the **“Qualifying Transaction Consequences”**).

Pursuant to Section 15.2(b)(i) of the New Policy and the Exchange’s Form 2F – *CPC Escrow Agreement* (the **“New CPC Escrow Agreement”**), any CPC listed on Tier 2 of the Exchange may, subject to obtaining disinterested Shareholder approval at a meeting of Shareholders, remove the Qualifying Transaction Consequences

For the purposes of the disinterested Shareholder approval, the votes attached to the Common Shares held by Non-Arm’s Length Parties to the Company who own Seed Shares and their Associates and Affiliates, a total of 2,000,000 Common Shares, are excluded from the calculation of any such approval. Capitalized terms used and not defined in this paragraph or elsewhere in the Circular have the meanings given to them in Exchange policies.

Disinterested Shareholder Approval

At the Meeting, disinterested Shareholders will be asked to consider and vote on an ordinary resolution to confirm and approve the terms of the New Policy as set out in Section 15.2(b)(i) therein with respect to the removal of the consequences described above of failing to complete a Qualifying Transaction within 24 months after the date of listing, with or without variation (the **“New Policy QT Resolution”**), as follows:

“BE IT RESOLVED THAT AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS, THAT:

1. the removal of the potential consequences associated with the Company if it fails to complete a Qualifying Transaction within 24 months after the date of listing of the Common Shares on the TSX Venture Exchange (“TSXV”), including the potential delisting or suspension of the Company if it has not obtained majority Shareholder approval to transfer its listing to the NEX board of the TSXV and the cancellation of certain Seed Shares held by Non-Arm’s Length Parties to the Company, be and is hereby confirmed and approved; and
2. any one or more directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to this resolution.”

An ordinary resolution of disinterested Shareholders is a resolution passed by a majority of the disinterested Shareholders (which excludes the votes attached to the Common Shares held by Non-Arm’s Length Parties of the Company who own Seed Shares and their Associates and Affiliates, a total of 2,000,000 votes) at a general meeting by a simple majority of the disinterested votes cast in person or by proxy.

Management recommends that Shareholders approve the New Policy QT Resolution as set out above, and the persons named in the enclosed Proxy intend to vote FOR the foregoing. Proxies received in favour of management will be voted FOR the New Policy QT Resolution.

7. Amendment of Escrow Agreement

Pursuant to Section 15.2(b)(iv) of the New Policy, any CPC that is listed on the Exchange, may, after it obtains disinterested shareholder approval at meeting of Shareholders, amend any escrow agreement to which the CPC is a party to reduce the length of the term of any escrow provision to a term that is not less than such as is permitted by Section 10.2 of the New Policy; provided that it complies with all other terms and conditions of the CPC Escrow Agreement being amended.

On August 28, 2018, the Company, TSX Trust Company and certain securityholders of the Company entered into a Form 2F – *CPC Escrow Agreement* (the “**Escrow Agreement**”), a copy of which is available under the Company’s SEDAR profile at www.sedar.com. Under the CPC Policy and the provisions of the Exchange’s current Form 2F – *CPC Escrow Agreement*, all Escrow Shares will be released from escrow in accordance with one of the following schedules:

- (a) if the resulting issuer upon completion of the Company’s Qualifying Transaction is a Tier 1 Issuer on the Exchange:

Release Dates	Percentage of Total Escrowed Securities to be Released
Date of Final Exchange Bulletin	25%
Date that is 6 months following Final Exchange Bulletin	25%
Date that is 12 months following Final Exchange Bulletin	25%
Date that is 18 months following Final Exchange Bulletin	25%
TOTAL:	100%

- (b) if the resulting issuer upon completion of the Company’s Qualifying Transaction is a Tier 2 Issuer on the Exchange:

Release Dates	Percentage of Total Escrowed Securities to be Released
Date of Final Exchange Bulletin	10%

Release Dates	Percentage of Total Escrowed Securities to be Released
Date that is 6 months following Final Exchange Bulletin	15%
Date that is 12 months following Final Exchange Bulletin	15%
Date that is 18 months following Final Exchange Bulletin	15%
Date that is 24 months following Final Exchange Bulletin	15%
Date that is 30 months following Final Exchange Bulletin	15%
Date that is 36 months following Final Exchange Bulletin	15%
TOTAL:	100%

In comparison, under the New Policy and the provisions of the New CPC Escrow Agreement, the Escrow Agreement may be amended such that, except for CPC Stock Options and Option Shares that are released from escrow on the date of the Final QT Exchange Bulletin as provided in Section 10.2(a) of the New CPC Policy, all Escrowed Securities will be released from escrow in accordance with the following schedule:

Release Dates	Percentage of Total Escrowed Securities to be Released
Date of Final QT Exchange Bulletin	25%
Date 6 months following Final QT Exchange Bulletin	25%
Date 12 months following Final QT Exchange Bulletin	25%
Date 18 months following Final QT Exchange Bulletin	25%
TOTAL:	100%

In addition, under the New Policy, all CPC Stock Options granted prior to the date of the Final QT Exchange Bulletin and all Option Shares that were issued prior to the date of the Final QT Exchange Bulletin will be released from escrow on the date of the Final QT Exchange Bulletin, other than CPC Stock Options that were granted prior to the CPC's IPO with an exercise price that is less than the issue price of the IPO Shares, and any Option Shares that were issued pursuant to the exercise of such CPC Stock Options which will be released from escrow in accordance with the schedule set out in Section 10.2 of the New Policy (and reproduced in the table immediately above this paragraph).

Subject to obtaining disinterested Shareholder approval, the Company is proposing to amend the Escrow Agreement in accordance with the terms of the New CPC Escrow Agreement in order to reduce the length of the term of the applicable escrow provision to a term that is not less than such as is permitted by Section 10.2 of the New Policy.

For the purposes of the disinterested Shareholder approval, the votes attached to the 14,500,000 Common Shares held by Persons that are party to the Escrow Agreement, are excluded from the calculation of any such approval. Capitalized terms used and not defined in this paragraph or elsewhere in the Circular have the meanings given to them in Exchange policies.

Disinterested Shareholder Approval

At the Meeting, disinterested Shareholders will be asked to consider and vote on an ordinary resolution to confirm and approve the terms of the New Policy as set out in Section 15.2(b)(iv) therein with respect to the amendment of the Escrow Agreement, with or without variation (the "**New Policy Escrow Resolution**"), as follows:

“BE IT RESOLVED THAT AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS, THAT:

1. the amendment of the Escrow Agreement dated August 28, 2018 among the Company, TSX Trust Company and certain securityholders of the Company in order to reduce the

length of the term of any escrow provision to a term that is not less than such as is permitted by Section 10.2 of the New Policy be and is hereby confirmed and approved; and

2. any one or more directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to this resolution.”

An ordinary resolution of disinterested Shareholders is a resolution passed by a majority of the disinterested Shareholders (which excludes the votes attached to the Common Shares held by Parties to the Escrow Agreement and their Associates and Affiliates, a total of 14,500,000 votes) at a general meeting by a simple majority of the disinterested votes cast in person or by proxy.

Management recommends that Shareholders approve the New Policy Escrow Resolution as set out above, and the persons named in the enclosed Proxy intend to vote FOR the foregoing. Proxies received in favour of management will be voted FOR the New Policy Escrow Resolution.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the SEDAR website at www.sedar.com. Copies of the Company’s financial statements and management’s discussion and analysis may be obtained, without charge, upon request from Suite 2500, 700 West Pender Street, Vancouver, British Columbia, V7Y 1B3, Attention: John McCoach, or by email request to jwmccoach@gmail.com.

BOARD APPROVAL

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

DATED at Vancouver, British Columbia as of this 27th day of May, 2021.

(signed) "*John McCoach*" _____

John McCoach

Interim Chief Executive Officer

SCHEDULE “A”

AUDIT COMMITTEE CHARTER

PRINCIPAL TECHNOLOGIES INC. (the “Company”)

1. OVERALL PURPOSE AND OBJECTIVES

The Audit Committee will assist the directors (the “Directors”) of the Company in fulfilling their responsibilities under applicable legal and regulatory requirements. To the extent considered appropriate by the Audit Committee or as required by applicable legal or regulatory requirements, the Audit Committee will review the financial reporting process of the Company, the system of internal controls and management of the financial risks of the Company and the audit process of the financial information of the Company. In fulfilling its responsibilities, the Audit Committee should maintain an effective working relationship with the Directors, management of the Company and the external auditor of the Company as well as monitor the independence of the external auditor.

2. AUTHORITY

(a) The Audit Committee shall have the authority to:

- (i) engage independent counsel and other advisors as the Audit Committee determines necessary to carry out its duties;
- (ii) set and pay the compensation for any advisors employed by the Audit Committee;
- (iii) communicate directly with the internal and external auditor of the Audit Corporation and require that the external auditor of the Company report directly to the Audit Committee; and
- (iv) seek any information considered appropriate by the Audit Committee from any employee of the Company.

(b) The Audit Committee shall have unrestricted and unfettered access to all personnel and documents of the Company and shall be provided with the resources reasonably necessary to fulfill its responsibilities.

3. MEMBERSHIP AND ORGANIZATION

(a) The Audit Committee will be composed of at least three members. The members of the Audit Committee shall be appointed by the Directors to serve one-year terms and shall be permitted to serve an unlimited number of consecutive terms. The majority of the members of the Audit Committee must be Directors who are independent and financially literate to the extent required by (and subject to the exemptions and other provisions set out in) applicable laws, rules and regulations, and stock exchange requirements (“Applicable Laws”). In this Charter, the terms “independent” and “financially literate” have the meaning ascribed to such terms by Applicable Laws, and include the meanings given to similar terms by Applicable Laws, including in the case of the term “independent” the terms “outside” and “unrelated” to the extent such latter terms are applicable under Applicable Laws.

(b) The chairman of the Audit Committee will be an independent Director and will be appointed by the Audit Committee from time to time and must have such accounting or related financial management expertise as the Directors may determine in their business judgment.

- (c) The secretary of the Audit Committee will be the chosen by the Audit Committee.
- (d) The Audit Committee may invite such persons to meetings of the Audit Committee as the Audit Committee considers appropriate, except to the extent exclusion of certain persons is required pursuant to this Charter or Applicable Laws.
- (e) The Audit Committee may invite the external auditor of the Company to be present at any meeting of the Audit Committee and to comment on any financial statements, or on any of the financial aspects, of the Company.
- (f) The Audit Committee will meet as considered appropriate or desirable by the Audit Committee. Any member of the Audit Committee or the external auditor of the Company may call a meeting of the Audit Committee at any time upon 48 hours' prior written notice.
- (g) All decisions of the Audit Committee shall be by simple majority and the chairman of the Audit Committee shall not have a deciding or casting vote.
- (h) Minutes shall be kept in respect of the proceedings of all meetings of the Audit Committee.
- (i) No business shall be transacted by the Audit Committee except at a meeting of the members thereof at which a majority of the members thereof is present.
- (j) The Audit Committee may transact its business by a resolution in writing signed by all the members of the Audit Committee in lieu of a meeting of the Audit Committee.

4. ROLE AND RESPONSIBILITIES

To the extent considered appropriate or desirable or required by applicable legal or regulatory requirements, the Audit Committee shall:

- (a) recommend to the Directors
 - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Company or performing other audit, review or attest services for the Company, and
 - (ii) the compensation to be paid to the external auditor of the Company;
- (b) review the proposed audit scope and approach of the external auditor of the Company and ensure no unjustifiable restriction or limitations have been placed on the scope of the proposed audit;
- (c) meet separately and periodically with the management of the Company, the external auditor of the Company and the internal auditor (or other personnel responsible for the internal audit function of the Company) of the Company to discuss any matters that the Audit Committee, the external auditor of the Company or the internal auditor of the Company, respectively, believes should be discussed privately;
- (d) be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report on the annual financial statements of the

Company or performing other audit, review or attest services for the Company, including the resolution of disagreements between management of the Company and the external auditor of the Company regarding any financial reporting matter and review the performance of the external auditor of the Company;

- (e) review judgmental areas, for example those involving a valuation of the assets and liabilities and other commitments and contingencies of the Company;
- (f) review audit issues related to the material associated and affiliated entities of the Company that may have a significant impact on the equity investment therein of the Company;
- (g) meet with management and the external auditor of the Company to review the annual financial statements of the Company and the results of the audit thereof;
- (h) review and determine if internal control recommendations made by the external auditor of the Company have been implemented by management of the Company;
- (i) pre-approve all non-audit services to be provided to the Company or any subsidiary entities thereof by the external auditor of the Company and, to the extent considered appropriate:
 - (i) adopt specific policies and procedures in accordance with Applicable Laws for the engagement of such non-audit services; and/or
 - (ii) delegate to one or more independent members of the Audit Committee the authority to pre-approve all non-audit services to be provided to the Company or any subsidiary entities thereof by the external auditor of the Company provided that the other members of the Audit Committee are informed of each such non-audit service;
- (j) consider the qualification and independence of the external auditor of the Company, including reviewing the range of services provided by the external auditor of the Company in the context of all consulting services obtained by the Company;
- (k) consider the fairness of the Interim Financial Report and financial disclosure of the Company and review with management of the Company whether,
 - (i) actual financial results for the interim period varied significantly from budgeted or projected results,
 - (ii) generally accepted accounting principles have been consistently applied,
 - (iii) there are any actual or proposed changes in accounting or financial reporting practices of the Company, and
 - (iv) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure;
- (l) review the financial statements of the Company, management's discussion and analysis and any annual and interim earnings press releases of the Company before the Company publicly discloses such information and discuss these documents with the external auditor and with management of the Company, as appropriate;

- (m) review and be satisfied that adequate procedures are in place for the review of the public disclosure of the Company of financial information extracted or derived from the financial statements of the Company, other than the public disclosure referred to in paragraph 4(l) above, and periodically assess the adequacy of those procedures;
- (n) establish procedures for,
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters relating to the Company;
- (o) review and approve the hiring policies of the Company regarding partners, employees and former partners and employees of the present and any former external auditor of the Company;
- (p) review the areas of greatest financial risk to the Company and whether management of the Company is managing these risks effectively;
- (q) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and consider their impact on the financial statements of the Company;
- (r) review any legal matters which could significantly impact the financial statements of the Company as reported on by counsel and meet with counsel to the Company whenever deemed appropriate;
- (s) institute special investigations and, if appropriate, hire special counsel or experts to assist in such special investigations;
- (t) at least annually, obtain and review a report prepared by the external auditor of the Company describing:
 - the firm's quality-control procedures;
 - any material issues raised by the most recent internal quality-control review or peer review of the firm or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, in respect of one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;
 - and (to assess the auditor's independence) all relationships between the independent auditor and the Company;
- (u) review with the external auditor of the Company any audit problems or difficulties and management's response to such problems or difficulties;
- (v) discuss the Company's earnings press releases, as well as financial information and earning guidance provided to analysts and rating agencies, if applicable; and

- (w) review this charter and recommend changes to this charter to the Directors from time to time.

5. COMMUNICATION WITH THE DIRECTORS

- (a) The Audit Committee shall produce and provide the Directors with a written summary of all actions taken at each Audit Committee meeting or by written resolution.
- (b) The Audit Committee shall produce and provide the Directors with all reports or other information required to be prepared under Applicable Laws.