

ATLAS ENGINEERED PRODUCTS LTD.
2005 Boxwood Road Nanaimo, BC V9S 5X9

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general meeting of the shareholders of Atlas Engineered Products Ltd. (the “Company”) will be held via live video conference on Thursday, October 27, 2022 at 10:00 a.m. (PST) for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended December 31, 2021 together with the auditor’s report thereon;
2. to fix the number of directors at five (5);
3. to elect directors for the ensuing year;
4. to appoint PricewaterhouseCoopers as the auditors of the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors;
5. to consider, and if thought fit, to pass, with or without variation, an ordinary resolution approving the Company’s amended and restated 10% rolling stock option plan as more particularly described in the accompanying Information Circular;
6. to transact such other business as may be properly brought before the Meeting or any adjournment thereof.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy. The Board of Directors (the “**Board**”) requests that all shareholders who will not be attending the Meeting in person read, date and sign the accompanying proxy and deliver it to Computershare Investor Services Inc. (“**Computershare**”), Attention: Proxy Department, 510 Burrard Street, 2nd Floor, Vancouver, BC V6C 3B9, by 10:00 a.m. (Vancouver, British Columbia time) on **October 25, 2022** (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used) then the shareholder will not be entitled to vote at the Meeting by proxy. Only shareholders of record at the close of business on **Tuesday, September 20, 2022** will be entitled to vote at the Meeting.

The Company is conducting the Meeting via Zoom live video conference only. Persons wishing to attend the Meeting will be required to pre-register for the Meeting at the link set forth below. Once you have pre-registered for the Meeting, you will receive an email providing access details for the Meeting. Pre-registration is being required to ensure that only eligible shareholders and proxyholders are permitted to vote, and to ensure the proper counting of those votes.

Pre-registration link:

https://us02web.zoom.us/meeting/register/tZMpcuChrTTrEtb4iHYdE5W2wACM4F_zFjtP

If you are a non-registered holder of Common Shares and received these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form, as the case may be, provided to you in accordance with the instructions provided by your broker or intermediary.

An information circular and a form of proxy accompany this notice.

DATED at Vancouver, British Columbia, the 26th day of September 2022.

ON BEHALF OF THE BOARD

/s/ Mohammad Hadi Abassi

Mohammad Hadi Abassi
Chief Executive Officer and President, Founder

ATLAS ENGINEERED PRODUCTS LTD.

2005 Boxwood Road Nanaimo, BC V9S 5X9

INFORMATION CIRCULAR

(as at September 26, 2022 except as otherwise indicated)

Atlas Engineered Products Ltd. (the “**Company**”) is providing this Information Circular and a form of proxy in connection with management’s solicitation of proxies for use at the annual general and special meeting (the “**Meeting**”) of the Company to be held on Thursday, October 27, 2022 and at any adjournments. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation. All amounts referred to as \$ or dollars means Canadian currency, unless otherwise indicated.

Attending the Meeting via Video Conference

The Meeting will be held via video conference only. **Persons wishing to attend the Meeting will be required to pre-register for the Meeting at the link set forth below. Once you have pre-registered for the Meeting, you will receive a separate email providing access details for the Meeting.** Pre-registration is being required to ensure that only eligible shareholders and proxyholders are permitted to vote, and to ensure the proper counting of those votes. After registering, approved attendees will receive a confirmation email containing information about joining the Meeting. In order to ensure your ability to attend the Meeting, please pre-register for the Meeting as early as possible.

Pre-registration link:

https://us02web.zoom.us/meeting/register/tZMpcuChrTlrEtb4iHYdE5W2wACM4F_zFjtP

Shareholders will have an equal opportunity to participate at the Meeting online regardless of geographic location. Registered shareholders and proxyholders will be able to attend the virtual meeting and vote, and will be considered to be present in person at the Meeting for the purposes of determining quorum. Non-registered shareholders who have not duly appointed themselves as proxyholder will be able to attend the virtual Meeting as a guest, but will not be able to vote at the Meeting. This is because the Company and its transfer agent, do not have a record of the non-registered shareholders, and, as a result, will have no knowledge of their shareholdings or entitlement to vote unless they appoint themselves as proxyholder.

The Meeting will be held via the Zoom meeting platform. In order to access the Meeting, shareholders will have two options, being via teleconference or through the Zoom application, which requires internet connectivity. **Registered shareholders wishing to vote in person and any shareholders wishing to view materials that may be presented by Management will need to utilize the Zoom application and provide their first and last name.**

Shareholders may also listen to the Meeting via teleconference. However, Registered shareholders participating via teleconference will not be able to vote in person at the Meeting as the Corporation’s scrutineer must take steps to verify the identity of registered shareholders using the video features.

Access to the Meeting will be opened approximately 30 minutes prior to the start of the Meeting. It is strongly recommended that persons attending the meeting access the Meeting 30 minutes before the Meeting starts to facilitate registration by the Company’s scrutineer.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder’s behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or directors of the Company (the “**Management Proxyholders**”).

A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the

desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.

VOTING BY PROXY

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Dept., 510 Burrard Street, 2nd Floor, Vancouver, BC V6C 3B9, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee (a "**Nominee**") such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited and in the United States, under the name Cede & Co., as nominee for the Depository Trust Company (which acts as a brokerage depository for many U.S. firms and custodial banks). If you purchased your shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as "non-objecting beneficial owners" ("**NOBOs**"). Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to the Company are referred to as "objecting beneficial owners" ("**OBOs**").

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") of the Canadian Securities Administrators, the Company has elected to send the Meeting materials directly to NOBOs.

If the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions.

The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting materials unless their Nominee assumes the costs of delivery.

The Company is not sending the Meeting materials to shareholders using "notice-and-access", as defined under NI 54-101.

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a shareholder, his attorney authorized in writing or, if the shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares without par value (the "shares"), of which 59,245,049 shares were issued and outstanding as of the Record Date (including 912,000 shares acquired by the Company pursuant to its normal course issuer bid and not yet cancelled, which shares will not be voted at the Meeting), and an unlimited number of Class B Preferred Shares, of which no shares are issued and outstanding. Persons who are registered shareholders at the close of business on September 20, 2022 (the "**Record Date**") will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held.

To the knowledge of the directors and executive officers of the Company, as of the Record Date, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company.

EXECUTIVE COMPENSATION

Named Executive Officers

"**Named Executive Officer**" or "**NEO**" means: (a) the Company's CEO, (b) the Company's CFO, (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended December 31, 2021, the Company had the following NEOs: Mohammad Hadi Abassi, Chief Executive Officer ("**CEO & President**"), Melissa MacRae, Interim Chief Financial Officer ("**Interim CFO**"), Gurmit Dhaliwal, Vice President of Operations ("**VP OPS**"), and Dirk Maritz, Former Chief Executive Officer ("**Former CEO**"). The Company did not have any other executive officers during the year ended December 31, 2021. Effective January 31, 2021, Mr. Maritz resigned as CEO and President of the Company and Mr. Abassi was appointed as CEO and President in his place. Effective January 1, 2022, Ms. MacRae was appointed as Chief Financial Officer ("**CFO**") and Ms. Dhaliwal was appointed as Chief Operating Officer ("**COO**").

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Discussion and Analysis

Significant Elements

The significant elements of compensation awarded to the NEOs are management fees and stock options. The Company does not presently have a long-term incentive plan for its NEOs. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The Board of Directors is solely responsible for determining compensation to be paid to the Company's NEOs. In addition, the Board of Directors reviews annually the total compensation package of each of the Company's executives on an individual basis.

Cash Salary

In setting compensation rates for NEOs, the Company compares the amounts paid to them with the amounts paid to executives in comparable positions at other comparable corporations. The Company's compensation payable to the NEOs is based upon, among other things, the responsibility, skills and experience required to carry out the functions of each position held by each Named Executive Officer and varies with the amount of time spent by each Named Executive Officer in carrying out his or her functions on behalf of the Company.

In addition, NEOs are eligible under the Company's stock option plan (the "**Stock Option Plan**") to receive grants of stock options. The Stock Option Plan is an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of its shares over a stated period of time. The Stock Option Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. The size of stock option grants to NEOs is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long-term contribution to the Company will be key to its long-term success.

The Board has not proceeded to a formal evaluation of the implications of the risks associated with the Company's compensation policies and practices. Risk management is a consideration of the Board when implementing its compensation program, and the Board does not believe that the Company's compensation program results in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company.

The Company's NEOs and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Share-Based and Option-Based Awards

The Company does not grant share-based awards. The Board is responsible for granting options to the NEOs. Stock option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Company, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs. When new options are granted, the Board takes into account the previous grants of options, the number of stock options currently held, position, overall individual performance, anticipated contribution to the Company's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the shareholders.

The exercise price of the stock options granted is generally determined by the market price at the time of grant, less any allowable discount.

SUMMARY COMPENSATION TABLE

Set out below is a summary of compensation paid or accrued during the Company's three most recently completed financial years to the Company's NEOs.

Summary Compensation Table

Name and principal position	Year	Salary (\$)	Share-based awards (\$) ⁽¹⁾	Option-based awards (\$) ⁽²⁾⁽³⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Mohammad Hadi Abassi ⁽⁴⁾ CEO & President	Dec 31, 2021	288,000	N/A	7,952	N/A	N/A	N/A	41,600	337,552
	Dec 31, 2020	267,400	N/A	13,827	N/A	N/A	N/A	N/A	281,227
	Dec 31, 2019	289,200	N/A	58,157	N/A	N/A	N/A	N/A	347,357
Melissa MacRae ⁽⁵⁾ Interim CFO	Dec 31, 2021	124,000	N/A	7,952	20,080	N/A	N/A	22,775	174,807
	Dec 31, 2020	103,099	N/A	N/A	11,547	N/A	N/A	9,600	124,246
	Dec 31, 2019	113,500	N/A	2,570	34,639	N/A	N/A	8,700	159,409
Gurmit Dhaliwal ⁽⁶⁾ VP OPS	Dec 31, 2021	140,000	N/A	7,952	20,080	N/A	N/A	34,706	184,738
	Dec 31, 2020	124,048	N/A	N/A	6,693	N/A	N/A	9,600	140,341
	Dec 31, 2019	140,000	N/A	2,570	62,458	N/A	N/A	5,600	210,628
Dirk Maritz ⁽⁷⁾ Former CEO	Dec 31, 2021	31,250	N/A	N/A	N/A	N/A	N/A	376,000	407,250
	Dec 31, 2020	326,719	N/A	40,772	89,845	N/A	N/A	12,000	469,336
	Dec 31, 2019	375,000	N/A	120,964	187,441	N/A	N/A	12,000	695,405

Notes:

- (1) Share Based Awards means an award under an equity incentive plan of equity based instruments that do not have option like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.
- (2) Option Based Awards mean an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option like features.
- (3) The Company uses the Black-Scholes option pricing model for determining fair value of stock options issued at grant date. The Black-Scholes option valuation is determined using the expected life of the stock option, expected volatility of the Share price, expected dividend yield, and risk-free interest rate. The key assumptions are as follows: risk free rate of 0.39-1.80%, expected life of five years, expected volatility of 118-165% and expected dividend of Nil.
- (4) Mr. Abassi ceased to act as the Company's EVP and was appointed as CEO and President, on January 31, 2021. Prior to this Mr. Abassi was the CEO of the Company from November 9, 2017 to November 4, 2018 and the EVP from November 5, 2018 to January 30, 2021. The Company entered into an employment agreement with Mr. Abassi on January 31, 2021 for a salary of \$288,000 per year and a car allowance of \$1,000 monthly (\$12,000 annually). Prior to this the Company entered into an amended management consulting agreement with Mr. Abassi dated September 1, 2018 for a monthly consulting fee of \$24,000.
- (5) Ms. Melissa MacRae was appointed as Interim CFO of the Company on May 16, 2019. Ms. MacRae entered into an employment agreement for a salary of \$124,000 per year and a car allowance of \$800 per month (\$9,600 annually). Ms. MacRae was appointed as CFO effective January 1, 2022.
- (6) Ms. Gurmit Dhaliwal was appointed as VP OPS of the Company on June 1, 2019. Ms. Dhaliwal entered into an employment agreement for a salary of \$140,000 per year and a car allowance of \$800 per month (\$9,600 annually). From September 2017 to November 2018, Ms. Dhaliwal had a management agreement with the

Company before transitioning back to an employment agreement. Ms. Dhaliwal was appointed as COO effective January 1, 2022.

- (7) Mr. Dirk Maritz was appointed as CEO and President of the Company on November 5, 2018. Mr. Maritz ceased to be CEO, President and a director of the Company on January 31, 2021. The Company paid Mr. Maritz \$375,000 as severance. The Company entered into an employment agreement with Mr. Maritz dated November 5, 2018 for a salary of \$375,000 per year. As part of the employment agreement, Mr. Maritz received a car allowance of \$1,000 per month (\$12,000 annually).

INCENTIVE PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards held by a NEO. The following table sets forth the outstanding option-based awards held by the NEOs of the Company at the end of the Company's most recently completed financial year ended December 31, 2021:

<i>Name</i>	<i>Option-based Awards</i>				<i>Share-based Awards</i>	
	<i>Number of securities underlying unexercised options (#)</i>	<i>Option exercise price (\$)</i>	<i>Option expiration date</i>	<i>Value of unexercised in-the-money options (\$)⁽¹⁾</i>	<i>Number of shares or units that have not vested (#)</i>	<i>Market or payout value of share-based awards that have not vested (\$)</i>
Mohammad Hadi Abassi <i>CEO & President</i>	500,000	0.49	November 8, 2022	55,000	N/A	N/A
	195,000	0.30	March 4, 2024	58,500	N/A	N/A
	50,000	0.29	April 21, 2025	15,500	N/A	N/A
Melissa MacRae <i>Interim CFO</i>	75,000	0.49	November 8, 2022	8,250	N/A	N/A
	50,000	0.29	April 21, 2025	15,500	N/A	N/A
Gurmit Dhaliwal <i>VP OPS</i>	75,000	0.49	November 8, 2022	8,250	N/A	N/A
	50,000	0.29	April 21, 2025	15,500	N/A	N/A
Dirk Maritz <i>Former CEO</i>	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) “**In-the-Money Options**” means the excess of the market value of the Company's shares on December 31, 2021 over the exercise price of the options. The market price for the Company's common shares on December 31, 2021 was \$0.60.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each NEO:

<i>Name</i>	<i>Option-based awards - Value vested during the year⁽¹⁾ (\$)</i>	<i>Share based awards – Value vested during the year (\$)</i>	<i>Non-equity incentive plan compensation - Value earned during the year (\$)</i>
Mohammad Hadi Abassi ⁽²⁾ <i>CEO & President</i>	4,000	N/A	Nil
Melissa MacRae ⁽³⁾ <i>Interim CFO</i>	4,000	N/A	20,080
Gurmit Dhaliwal ⁽⁴⁾ <i>VP OPS</i>	4,000	N/A	20,080
Dirk Maritz ⁽⁵⁾ <i>Former CEO</i>	N/A	N/A	N/A

- (1) The value of option-based awards is the product of the number of common shares issuable on the exercise of the option on the vesting date multiplied by the difference between the exercise price and the closing market price for the common shares on the vesting date.
- (2) Mohammad Hadi Abassi was granted 500,000 stock options on November 8, 2017 at an exercise price of \$0.49, expiring November 8, 2022. Mr. Abassi was granted an additional 195,000 stock options on March 4, 2019 at an exercise price of \$0.30, expiring March 4, 2024. Mr. Abassi was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. For the options granted to Mr. Abassi, 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date.
- (3) Melissa MacRae was granted 75,000 stock options on November 8, 2017 at an exercise price of \$0.49, expiring November 8, 2022. Ms. MacRae was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. For the options granted to Ms. MacRae, 1/3 of the options vest six months after the date of grant; 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date.
- (4) Gurmit Dhaliwal was granted 75,000 stock options on November 8, 2017 at an exercise price of \$0.49, expiring November 8, 2022. Ms. Dhaliwal was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. For the options granted to Ms. Dhaliwal, 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date.
- (5) Dirk Maritz was granted 575,000 stock options on March 4, 2019 at an exercise price of \$0.30, expiring March 4, 2024. 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date. Mr. Maritz forfeited his options on May 1, 2021.

PENSION BENEFITS

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

TERMINATION AND CHANGE OF CONTROL BENEFITS (WHETHER VOLUNTARY, INVOLUNTARY OR CONSTRUCTIVE), RESIGNATION, RETIREMENT A CHANGE IN CONTROL OF THE COMPANY OR A CHANGE IN AN NEOS RESPONSIBILITIES.

The Company previously had a management consulting agreement with its Former EVP and current CEO and President, Mohammad Hadi Abassi, pursuant to which Mr. Abassi was paid a consulting fee of \$24,000 per month for a term expiring on August 31, 2021. Upon his appointment as CEO and President, Mr. Abassi's management consulting agreement was replaced with an employment agreement between the Company and Mr. Abassi. Under the terms of his employment agreement, Mr. Abassi is paid a salary of \$288,000 per annum.

Under the terms of the Company's agreement with Ms. Melissa MacRae, the Company's Interim CFO as at December 31, 2021, Ms. MacRae is entitled to four months severance, plus one additional month of severance for each year served, up to a maximum of six months severance. As of January 31, 2022, Ms. MacRae was appointed as CFO of the Company and under the terms of her employment agreement is subsequently paid a salary of \$160,000 per annum.

Under the terms of the Company's agreement with Ms. Gurmit Dhaliwal, the Company's Vice President of Operations as at December 31, 2021, Ms. Dhaliwal is entitled to four months severance, plus one additional month of severance for each year served, up to a maximum of six months severance. As of January 31, 2022, Ms. Dhaliwal was appointed as COO of the Company and under the terms of her employment agreement is subsequently paid a salary of \$180,000 per annum.

Mr. Dirk Maritz ceased to be the Company's CEO and President on January 31, 2021, at this time it was negotiated to pay a one time payment of \$375,000.

The Company has no other contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the NEOs responsibilities.

DIRECTOR COMPENSATION

In March 2020, the Board approved a new director compensation model for all non-executive directors that includes a monthly stipend, a per meeting fee for acting as a Board committee member, and a per meeting fee for acting as Chair.

Set out below is a summary of compensation paid or accrued during the Company's most recently completed financial year to the Company's directors, other than the NEOs previously disclosed:

Director Compensation Table

<i>Name</i>	<i>Fees earned (\$)</i>	<i>Share based awards (\$)</i>	<i>Option-based awards (\$)⁽¹⁾⁽²⁾</i>	<i>Non-equity incentive plan compensation (\$)</i>	<i>Pension value (\$)</i>	<i>All other compensation (\$)</i>	<i>Total (\$)</i>
Greg Smith	29,500	Nil	7,952	Nil	Nil	Nil	37,452
Kevin Smith	31,500	Nil	7,952	Nil	Nil	Nil	39,452
Don Hubbard	34,000	Nil	7,952	Nil	Nil	Nil	41,952
Paul Andreola	30,050	Nil	35,479	Nil	Nil	Nil	65,529

Notes:

- (1) Option Based Awards mean an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option like features.
- (2) The Company uses the Black-Scholes option pricing model for determining fair value of stock options issued at grant date. The Black-Scholes option valuation is determined using the expected life of the stock option, expected volatility of the Share price, expected dividend yield, and risk-free interest rate. The key assumptions are as follows: risk free rate of 0.39-1.80%, expected life of five years, expected volatility of 118-165% and expected dividend of Nil.

Outstanding Share-Based Awards and Option-Based Awards Held by Directors

The Company does not have any share-based awards held by a director. The following table sets forth details of all awards granted to directors of the Company which are outstanding at the end of the most recently completed financial year ended December 31, 2021.

<i>Name</i>	<i>Option-based Awards</i>			
	<i>Number of securities underlying unexercised options (#)</i>	<i>Option exercise price (\$)</i>	<i>Option Expiration date</i>	<i>Value of unexercised in-the-money options (\$)⁽¹⁾</i>
Greg Smith ⁽²⁾	100,000	0.49	November 8, 2022	11,000
	50,000	0.60	February 5, 2023	Nil
	100,000	0.30	March 4, 2024	30,000
	50,000	0.29	April 21, 2026	15,500
Kevin Smith ⁽³⁾	150,000	0.60	February 5, 2023	Nil
	100,000	0.30	March 4, 2024	30,000
	50,000	0.29	April 21, 2026	15,500
Don Hubbard ⁽⁴⁾	100,000	0.49	November 8, 2022	11,000
	50,000	0.60	February 5, 2023	Nil
	100,000	0.30	March 4, 2024	30,000
	50,000	0.29	April 21, 2026	15,500
Paul Andreola ⁽⁵⁾	100,000	0.49	January 4, 2026	11,000
	50,000	0.29	April 21, 2026	15,500

Notes:

- (1) “**In-the-Money Options**” means the excess of the market value of the Company’s shares on December 31, 2021 over the exercise price of the options. The market price for the Company’s common shares on December 31, 2021 was \$0.60.
- (2) Greg Smith was granted 100,000 stock options on November 8, 2017 at an exercise price of \$0.49, expiring November 8, 2022. Mr. Smith was granted an additional 50,000 stock options on February 5, 2018 at an exercise price of \$0.60, expiring February 5, 2023. Mr. Smith was granted an additional 100,000 stock options on March 4, 2019 at an exercise price of \$0.30, expiring March 4, 2024. Mr. Smith was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. For the options granted to Mr. Smith, 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date for all options granted.
- (3) Kevin Smith was granted 150,000 stock options on February 5, 2018 at an exercise price of \$0.60, expiring February 5, 2023. Mr. Smith was granted an additional 100,000 stock options on March 4, 2019 at an exercise price of \$0.30, expiring March 4, 2024. Mr. Smith was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. For the options granted to Mr. Smith, 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date for all options granted.
- (4) Don Hubbard was granted 100,000 stock options on November 8, 2017 at an exercise price of \$0.49, expiring November 8, 2022. Mr. Hubbard was granted an additional 50,000 stock options on February 5, 2018 at an exercise price of \$0.60, expiring February 5, 2023. Mr. Hubbard was granted an additional 100,000 stock options on March 4, 2019 at an exercise price of \$0.30, expiring March 4, 2024. Mr. Hubbard was granted

an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. For the options granted to Mr. Hubbard, 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date for all options granted.

- (5) Paul Andreola was granted 100,000 stock options on January 4, 2021 at an exercise price of \$0.49, expiring April 21, 2026. Mr. Andreola was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. For the options granted to Mr. Andreola, 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date for all options granted.

**Value Vested or Earned for Incentive Plan Awards During
the Most Recently Completed Financial Year**

<i>Name</i>	<i>Option-based awards - Value vested during the year (\$)</i>	<i>Share based awards – Value vested during the year (\$)</i>	<i>Non-equity incentive plan compensation - Value earned during the year (\$)</i>
Greg Smith	4,000	N/A	Nil
Kevin Smith	4,000	N/A	Nil
Don Hubbard	4,000	N/A	Nil
Paul Andreola	12,000	N/A	Nil

EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year ended December 31, 2021:

<i>Plan Category</i>	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</i>	<i>Weighted-average exercise price of outstanding options, warrants and rights (b)</i>	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</i>
Equity compensation plans approved by the security holders	2,712,500	\$0.45	3,062,573
Equity compensation plans not approved by the security holders	Nil	Nil	Nil
Total	2,712,500	\$0.45	3,062,573

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No director or executive officer of the Company or any proposed nominee of Management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors, the appointment of auditors and the confirmation of the Stock Option Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed below, none of the persons who were directors or executive officers of the Company or a subsidiary at any time during the Company's last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

MANAGEMENT CONTRACTS

Other than as disclosed elsewhere in this Circular, no management functions of the Company are to any substantial degree performed by a person or company other than the directors or NEOs of the Company.

AUDIT COMMITTEE

The Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

Composition of Audit Committee and Independence

The Company's current Audit Committee consists of Don Hubbard, Greg Smith and Kevin Smith. National Instrument 52-110 *Audit Committees*, ("**NI 52-110**") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment. Of the Company's current Audit Committee members, Greg Smith, Don Hubbard and Kevin Smith are considered independent. All of the Audit Committee members are "financially literate, as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

Relevant Education and Experience

Don Hubbard – Mr. Hubbard is an accomplished businessman and community leader. He is currently the President and CEO of Hubbard Consulting Ltd. Mr. Hubbard previously owned and managed RCR Mining LLP and was the former Board Chair of the Vancouver Island Health Authority. Mr. Hubbard is also formerly the General Manager of Lafarge North West Division and Island operations which merged with Hub City Paving in which Mr. Hubbard held many senior operation positions with Hub City Paving.

Greg Smith- Mr. Greg Smith is a seasoned capital markets veteran who held senior positions in investment banking before transitioning to private equity with the acquisition of one of the largest HVAC companies in Western Canada. Mr. Smith also held the position of Portfolio Manager for Phillips, Hagar & North & Executive Director, Canadian Securitization Group, CIBC World Markets in Toronto for close to ten years. Mr. Smith, currently serves as President

& Director of Broadway Refrigeration & Air Conditioning Co. Ltd. and Omega Mechanical Ltd. who collectively have over 150 employees. Mr. Smith earned an MBA from Dalhousie University and is a Chartered Financial Analyst and has served in advisory positions to multiple private and public ventures. He is currently serving as a director of Ironwood Capital Corp. (TSX-V: IRN).

Kevin Smith is CFO for Northland Properties Corporation with headquarters in Calgary and Vancouver and with operations across Canada, the UK, Ireland and the USA. Prior to joining Northland, Mr. Smith was the Executive Vice-President and CFO for the Intracorp Group of Companies, a real estate development company with headquarters in Vancouver and with operations across North America. Prior to joining Intracorp, Mr. Smith served as the Executive Vice-President & Chief Financial Officer at Whistler Blackcomb Holdings Inc. During his time there he successfully led Whistler Blackcomb through an initial public offering (IPO) on the Toronto Stock Exchange in 2010 to create Whistler Blackcomb as a separate, publicly traded company from Intrawest. As a strategic leader at Whistler Blackcomb Holdings, he was responsible for all financial, legal, information technology, public company reporting, debt financing, commercial operations, investor relations, budgeting, cash management, tax planning & strategic business planning. Prior to Whistler Blackcomb, Mr. Smith spent twelve years at Intrawest, holding several senior finance roles. Mr. Smith is a CPA, CA and holds a Bachelor of Science degree from The University of British Columbia. He is also currently serving as a director and audit chair of Diversified Royalty Corp and the Vancouver Airport Authority.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

Audit Fees

The aggregate fees billed by the Company's external auditor in the last two fiscal years.

<i>Financial Year Ended</i>	<i>Audit Fees (\$) ⁽¹⁾</i>	<i>Audit Related Fees (\$) ⁽²⁾</i>	<i>Tax Fees (\$) ⁽³⁾</i>	<i>All Other Fees (\$) ⁽⁴⁾</i>
December 31, 2021	140,800	11,612	27,189	1,686
December 31, 2020	128,000	10,242	28,569	1,531

Notes:

- (1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.

- (2) “Audited related fees” include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company’s external auditor that are reasonably related to the performance of the audit or review of the Company’s financial statements and are not reported under “Audit fees” above.
- (3) “Tax fees” include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company’s external auditor for tax compliance, tax advice and tax planning.
- (4) “All other fees” include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company’s external auditor, other than “Audit fees”, “Audit related fees” and “Tax fees” above.

Exemption in Section 6.1

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (Composition of Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101, Disclosure of Corporate Governance Practices, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “**Guidelines**”) adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company’s approach to corporate governance is set out below.

Board of Directors

Management is nominating five individuals to the Board, each of whom are current directors of the Company.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. “Material relationship” is defined as a relationship which could, in the view of the Company’s Board, reasonably interfere with the exercise of a director’s independent judgement, including persons who are employees or executive officers of the Company or who have been employees or executive officers of the Company within the last three years. All of the current members of the Board are considered “independent” within the meaning of NI 52-110, except for Mohammad Hadi Abassi, who is the CEO and President of the Company.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO. The Board will give direction and guidance through the CEO to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the shareholders for election as directors, and immediately following each annual general meeting appoints an Audit Committee and the Audit Committee chairperson. The Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO, CFO and President of the Company and establishes the duties and responsibilities of those positions and on the recommendation of the CEO and the President, appoints the senior officers of the Company and approves the senior management structure of the Company.

The Board exercises its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. The Board shall meet not less than three times during each year and will endeavour to hold at least one meeting in each fiscal quarter. The Board will also meet at any other time at the call of the President, or subject to the Articles of the Company, of any director.

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia) (the “Act”), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its audit committee.

Orientation and Continuing Education

The Board’s practice is to recruit for the Board only persons with extensive experience in identifying and targeting junior businesses for transactions and in public company matters. Prospective new board members are provided a reasonably detailed level of background information, verbal and documentary, on the Company’s affairs and plans prior to obtaining their consent to act as a director.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company’s governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on 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 Company.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

Nomination of Directors

The Board identifies new candidates for board nomination by an informal process of discussion and consensus-building on the need for additional directors, the specific attributes being sought, likely prospects, and timing. Prospective directors are not approached until consensus is reached. This process takes place among the Chairman and a majority of the non-executive directors.

Assessments

The Board annually reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by other Board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board monitors the adequacy of information given to directors, communication between Board and Management and the strategic direction and processes of the Board and its committees.

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company’s corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Financial Statements, Auditor’s report and Management Discussion & Analysis

The audited financial statements of the Company for the fiscal year ended December 31, 2021 as proposed by the Company, the audit report of PWC relating thereto and the Company’s management discussion and analysis relating thereto will be placed before the Meeting.

No further action or approval is required at the Meeting in respect of these documents.

2. Set Number of Directors to be Elected

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at five (5). The number of directors will be approved if the affirmative vote of the majority of common shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at five (5).

The Board unanimously recommends that shareholders vote “for” the setting the number of directors of the Company at five (5).

3. Election of Directors

The directors of the Company are elected at each annual general and special meeting and hold office until the next annual general and special meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Management of the Company proposes to nominate each of the following persons for election as a director. Information concerning such persons, as furnished by the individual nominees, is as follows.

<i>Name, Jurisdiction of Residence and Position</i>	<i>Principal occupation, business or employment and, if not a previously elected Director, occupation, business or employment during the past 5 years</i>	<i>Previous Service as a Director</i>	<i>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly</i>
Mohammad Hadi Abassi British Columbia, Canada Director	Current CEO and President of the Company, Former EVP Business Development	November 9, 2017	5,763,409
Don Hubbard ⁽²⁾ British Columbia, Canada Director	President and CEO of Hubbard Consulting Ltd.	November 9, 2017	269,300
Greg Smith ⁽²⁾ British Columbia, Canada Director	President & Owner of Broadway Refrigeration and Air Conditioning Co. Ltd.	November 9, 2017	327,500
Kevin Smith ⁽²⁾ British Columbia, Canada Director	Chief Financial Officer at Northland Properties Corporation	November 15, 2017	Nil

Paul Andreola British Columbia, Canada Director	CEO of NameSilo Technologies Corp.	December 23, 2020	1,610,079
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Notes:

- (1) The information as to common shares beneficially owned or controlled has been provided by the nominees themselves.
- (2) Current member of the audit committee.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

To the knowledge of the Company, no proposed director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company (including the Company) that:
 - (i) was the subject, while the director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
 - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 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 director; or
- (d) has been subject to 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
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a director.

The following nominee directors of the Company hold directorships in other reporting issuers as set out below:

<i>Name of Director</i>	<i>Name of Other Reporting Issuer</i>
Greg Smith	ImmunoPrecise Antibodies Ltd. ⁽¹⁾

Kevin Smith	Diversified Royalty Corp. Vancouver Airport Authority
Paul Andreola	NameSilo Technologies Corp. ⁽¹⁾ Departure Bay Capital Corp.

(1) Listed on the TSX Venture Exchange

The Board unanimously recommends that shareholders vote “for” the election of each of the above nominees as directors of the Company.

4. Appointment and Remuneration of Auditor

The Company is nominating PricewaterhouseCoopers (“PwC”) of 250 Howe Street, Suite 1400, Vancouver, British Columbia for re-appointment as auditor of the Company to hold office until the next annual meeting of shareholders and to authorize the Board to fix the remuneration to be paid thereto.

The Board unanimously recommends shareholders to vote “for” the appointment of PricewaterhouseCoopers as the Company’s auditors until the next annual general meeting at a remuneration to be fixed by the Company’s board of directors.

5. Approval of Amended and Restated Stock Option Plan

At the Meeting, shareholders will be asked to vote for the confirmation and approval of the Company’s amended and restated Stock Option Plan (the “**Option Plan Amendments**”). For reference, a blackline copy of the amended and restated Stock Option Plan (the “**Amended and Restated Stock Option Plan**”) reflecting the Option Plan Amendments is attached as Schedule “B” to this Circular. In order for the resolution described herein to pass, a simple majority of the affirmative votes cast at the Meeting is required.

The purpose of the Stock Option Plan is to attract and motivate directors, senior officers, employees, consultants and others providing services to the Company and its subsidiaries, and thereby advance the Company’s interests, by affording such persons with an opportunity to acquire an equity interest in the Company through the issuance of stock options. The Company is currently listed on Tier 1 of the TSX Venture Exchange (the “**TSX-V**”) and has adopted a “rolling” stock option plan reserving a maximum of 10% of the issued shares of the Company at the time of the stock option grant.

The Company’s Stock Option Plan was originally approved by the shareholders at the Company’s November 8, 2019 AGM. As a “rolling” stock option plan, the Stock Option Plan is required to be re-approved by the shareholders each year at the Company’s annual general meeting.

At the Meeting, shareholders will be asked to approve the Amended and Restated Stock Option Plan.

Option Plan Amendments

The principal changes between the Option Plan and the Amended and Restated Option Plan can be summarized as follows:

- A number of defined terms under the Stock Option Plan were revised to conform with the definitions set forth in the policies of the TSX-V.
- To amend the provisions of the Stock Option Plan relating to the extension of options during a Blackout Period (as defined in the Amended and Restated Stock Option Plan) to provide that options expiring during a Blackout Period will be extended to the date that is 10 business days after the expiration of the Blackout Period, provided that (i) the Blackout Period was formally imposed under the policies of the Company due to the bona fide existence of undisclosed Material Information (as defined in the Amended and Restated Stock Option Plan), (ii) the Blackout Period expired due to the disclosure of the undisclosed Material Information, and (iii) the Company is not subject to any cease trade order or similar order under applicable securities laws.

- To permit the exercise of options by means of a “cashless exercise” or “net exercise”, provided that Board continues to have discretion whether or not to permit any cashless exercise or net exercise of any options. As set forth under the Amended and Restated Stock Option Plan, a “cashless exercise” of an option would involve an arrangement with the Company whereby a brokerage firm would lend funds to an optionee to exercise options granted under the Amended and Restated Stock Option Plan, with the brokerage firm then selling a sufficient number of shares to repay the loan, the brokerage firm receiving an equivalent number of shares issued from the exercise of the options, and the optionee receiving the balance of the shares issued upon exercise. A “net exercise” of an would involve an optionee not making any cash payment for the exercise of an option, with the optionee instead receiving only that number of shares that is equal to the quotient obtained by dividing (a) the product of the number of options being exercised and the difference between (i) the VWAP (as that term is defined in the Amended and Restated Stock Option Plan) of the shares and (ii) the exercise price of the subject options, by (b) the VWAP of the shares.
- To provide that, subject to the prior approval of the TSX-V, adjustments to the Amended and Restated Stock Option Plan for any amalgamation, merger, arrangement, reorganization, spin-off or recapitalization of the Company, will be made by the Board, in its discretion.
- To provide that any withholding or deduction arrangements must comply with the policies of the TSX-V.
- To clarify that, where adjustments to the Amended and Restated Stock Option Plan are made for stock dividends, and where such adjustments would result in the number of Shares being reserved for issuance under the Plan exceeding the amounts permitted under the policies of the TSX-V, a cash adjustment will be made in lieu thereof

The forgoing information is intended to be a brief description of the changes between the Stock Option Plan and the Amended and Restated Stock Option Plan and is qualified in its entirety by the full text of the Amended and Restated Stock Option Plan, a blackline copy of which is attached as Schedule “B” to this Circular.

Resolutions Approving Amended and Restated Option Plan

The TSX-V has conditionally approved the Option Plan Amendments, subject to the receipt by the Company of evidence of approval by the shareholders of the Option Plan Amendments at the Meeting. At the Meeting, shareholders of the Company will be asked to consider and, if deemed appropriate, to approve, with or without variation, an ordinary resolution ratifying and approving the Amended and Restated Stock Option Plan (the “**Amended Option Plan Resolutions**”). Should the Amended Option Plan Resolutions not be adopted, the existing Option Plan will remain in place. The full text of the resolution to be considered at the Meeting is set forth below:

RESOLVED AS AN ORDINARY RESOLUTION, THAT:

1. The amended and restated stock option plan (the “**Amended and Restated Stock Option Plan**”) of Atlas Engineered Products Ltd. (the “**Company**”) in substantially the form described and attached to the management information circular of the Company dated September 26, 2022 be and the same is hereby ratified, confirmed and approved, subject to the acceptance of the TSX Venture Exchange (the “**Exchange**”), and shall thereafter continue and remain in effect until ratification is required pursuant to the rules of the Exchange or other applicable regulatory requirements;
2. All unallocated options to acquire common shares of the Company, right or other entitlement available under the Amended and Restated Stock Option Plan are hereby approved and authorized;
3. The board of directors of the Company is authorized and directed to make any changes to the Amended and Restated Stock Option Plan as may be required by the Exchange or other regulatory authorities, without further approval by the shareholders of the Company, in order to ensure the adoption of the Amended and Restated Stock Option Plan; and
4. Any director or officer of the Company is hereby authorized and directed, for and on behalf of the Company , to do all things and to execute, deliver and file all such agreement, documents and instruments, and to do

all such other acts and things, as such director or officer deems necessary or desirable to give effect to the forgoing resolutions.

The Board unanimously recommends that shareholders vote “for” the ratification and approval of the Amended and Restated Stock Option Plan.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com. Financial information about the Company is provided in the Company’s comparative annual financial statements to December 31, 2021 a copy of which, together with Management’s Discussion and Analysis thereon, can be found on the Company’s SEDAR profile at www.sedar.com. Shareholders may contact the Company as set out below to request copies of the Company’s financial statements and Management’s Discussion Analysis.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 26th day of September, 2022.

ON BEHALF OF THE BOARD

/s/ Mohammad Hadi Abassi

Mohammad Hadi Abassi
Chief Executive Officer and President

SCHEDULE “A”

ATLAS ENGINEERED PRODUCTS LTD. (the “Company”)

AUDIT COMMITTEE CHARTER

(Implemented pursuant to National Instrument 52-110 – *Audit Committees*)

National Instrument 52-110 – *Audit Committees* (the “**Instrument**”) relating to the composition and function of audit committees was implemented for reporting issuers and, accordingly, applies to every TSX Venture Exchange listed company, including the Company. The Instrument requires all affected issuers to have a written audit committee charter which must be disclosed, as stipulated by Form 52-110F2, in the management information circular of the Company wherein management solicits proxies from the security holders of the Company for the purpose of electing directors to the board of directors. The Company, as a TSX Venture Exchange-listed company is, however, exempt from certain requirements of the Instrument.

This Charter has been adopted by the board of directors in order to comply with the Instrument and to more properly define the role of the Committee in the oversight of the financial reporting process of the Company. Nothing in this Charter is intended to restrict the ability of the board of directors or Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

PART 1

Purpose:

The purpose of the Committee is to:

- (a) improve the quality of the Company’s financial reporting;
- (b) assist the board of directors to properly and fully discharge its responsibilities;
- (c) provide an avenue of enhanced communication between the directors and external auditors;
- (d) enhance the external auditor’s independence;
- (e) increase the credibility and objectivity of financial reports; and
- (f) strengthen the role of the directors by facilitating in depth discussions between directors, management and external auditors.

1.1 Definitions

“**accounting principles**” has the meaning ascribed to it in National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

“**Affiliate**” means a Company that is a subsidiary of another Company or companies that are controlled by the same entity;

“**audit services**” means the professional services rendered by the Company's external auditor for the audit and review of the Company’s financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

“**Charter**” means this audit committee charter;

“**Committee**” means the committee established by and among certain members of the board of directors for the purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company;

“**Control Person**” means any individual or company that holds or is one of a combination of individuals or companies that holds a sufficient number of any of the securities of the Company so as to affect materially the control of the Company, or that holds more than 20% of the outstanding voting shares of the Company except where there is evidence showing that the holder of those securities does not materially affect the control of the Company;

“**financially literate**” has the meaning set forth in Section 1.2;

“**immediate family member**” means a person’s spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person's immediate family member) who shares the individual’s home;

“**Instrument**” means National Instrument 52-110 – *Audit Committees*;

“**MD&A**” has the meaning ascribed to it in National Instrument 51-102;

“**Member**” means a member of the Committee;

“**National Instrument 51-102**” means National Instrument 51-102 - *Continuous Disclosure Obligations*; and

“**non-audit services**” means services other than audit services.

1.2 Meaning of Financially Literate

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 Company’s financial statements.

PART 2

2.1 Audit Committee

The board of directors has hereby established the Committee for, among other purposes, compliance with the Instrument.

2.2 Relationship with External Auditors

The Company will require its external auditor to report directly to the Committee and the Members shall ensure that such is the case.

2.3 Committee Responsibilities

1. The Committee shall be responsible for making the following recommendations to the board of directors:
 - (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company; and
 - (b) the compensation of the external auditor.
2. The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the

Company, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:

- (a) reviewing the audit plan with management and the external auditor;
 - (b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
 - (c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
 - (d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
 - (e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtaining an explanation from management of all significant variances between comparative reporting periods;
 - (f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow up to any identified weakness;
 - (g) reviewing interim unaudited financial statements before release to the public;
 - (h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report and management's discussion and analysis;
 - (i) reviewing the evaluation of internal controls by the external auditor, together with management's response;
 - (j) reviewing the terms of reference of the internal auditor, if any;
 - (k) reviewing the reports issued by the internal auditor, if any, and management's response and subsequent follow up to any identified weaknesses; and
 - (l) reviewing the appointments of the chief financial officer and any key financial executives involved in the financial reporting process, as applicable.
3. The Committee shall review the Company's financial statements, MD&A, and annual and interim earnings press releases before the Company publicly discloses this information.
 4. The Committee shall ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and shall periodically assess the adequacy of those procedures.
 5. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102, and the planned steps for an orderly transition.
 6. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in National Instrument 51-102, on a routine basis, whether or not there is to be a change of auditor.

7. The Committee shall, as applicable, establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
8. As applicable, the Committee shall establish, periodically review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.
9. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.

2.4 Non-Audit Services

The Committee shall satisfy the pre-approval requirement in subsection 2.3(3) if:

- (a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the issuer and its subsidiary entities to the issuer's external auditor during the financial year in which the services are provided;
- (b) the Company or the subsidiary of the Company, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- (c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

2.5 Delegation of Pre-Approval Function

1. The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2.3(3).
2. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 2.5(1) must be presented to the Committee at its first scheduled meeting following such pre-approval.

PART 3

3.1 Composition

1. The Committee shall be composed of a minimum of three members of the Board, as well as, the Chief Financial Officer as a Company representative and non-voting member.
2. Every Member shall be a director of the issuer.
3. The majority of Members shall not be employees, Control Persons or officers of the Company.
4. Each audit committee member must be financially literate as defined in section 1.2.

PART 4

4.1 Authority

Until the replacement of this Charter, the Committee shall have the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Committee;
- (c) communicate directly with the internal and external auditors; and
- (d) recommend the amendment or approval of audited and interim financial statements to the board of directors.

PART 5

5.1 Disclosure in Information Circular

If management of the Company solicits proxies from the security holders of the Company for the purpose of electing directors to the board of directors, the Company shall include in its management information circular the disclosure required by Form 52-110F2 (Disclosure by Venture Issuers).

PART 6

6.1 Meetings

1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.
2. Opportunities shall be afforded periodically to the external auditor, the internal auditor and to members of senior management to meet separately with the Members.
3. Minutes shall be kept of all meetings of the Committee.

SCHEDULE "B"

Amended and Restated Stock Option Plan
of
Atlas Engineered Products Ltd.

(See attached.)

ATLAS ENGINEERED PRODUCTS LTD.

STOCK OPTION PLAN

As Amended and Restated on September 26, 2022

1. PURPOSE OF PLAN

1.1 **Purpose.** The purpose of the Stock Option Plan (the “Plan”) of **ATLAS ENGINEERED PRODUCTS LTD.**, a company incorporated under the *Business Corporations Act* (British Columbia), (the “Company”) is to advance the interests of the Company by encouraging the directors, officers, employees, management company employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

2. DEFINITIONS

2.1 **Definitions.** In this Plan the following words and phrases shall have the following meanings, namely:

- (a) **“Blackout Period”** means ~~a period during which there is a prohibition on trading in the Company’s securities imposed by the Company on Insiders~~ “blackout period” as defined in Policy 4.4 of the Exchange, as amended.
- (b) **“Board”** means the board of directors of the Company or, if the Board so elects, a committee of directors (which may consist of only one director) appointed by the Board to administer this Plan.
- (c) **“Company”** means Atlas Engineered Products Ltd.
- (d) **“Consultant”** means ~~an individual who (or a corporation or partnership (a “Consultant” as defined in Policy 4.4 of the Exchange, as amended.~~
- (d)(e) **“Consultant Company”** means ~~a “Consultant Company” of which the individual is an employee, shareholder or partner which:-~~ as defined in Policy 4.4 of the Exchange, as amended.
 - (i) ~~is engaged to provide, on an ongoing bona fide basis, consulting, technical, management or other services to the Company or a subsidiary of the Company other than in relation to a distribution of the Company’s securities;~~
 - (ii) ~~provides the services under a written contract between the Consultant or Consultant Company and the Company or subsidiary;~~
 - (iii) ~~in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or subsidiary of the Company; and~~
 - (iv) ~~has a relationship with the Company or subsidiary of the Company that enables the individual to be knowledgeable about the business and affairs of the Company or subsidiary.~~

~~(e)~~(f) **“Director”** means a director of the Company or any of its subsidiaries.

(f) **“Employee”** means:

(i) ~~an individual who is considered an employee~~**“Employee”** as defined Policy 4.4 of the Company or its subsidiary under the *Income Tax Act* (Canada)(and for whom income tax, employment insurance and CPP deductions must be made at source);

(ii) ~~an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or~~

(iii) ~~an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and discretion by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source.~~

(g) **“Exchange, as amended.”**

~~(g)~~(h) **“Exchange” or “TSX-V”** means whichever stock exchange on which the Shares are listed for trading being either the TSX Venture Exchange (the **“TSX-V”**) or Toronto Stock Exchange (the **“TSX”**).

(h) **“Insider”** means: (i) Director or Officer; (ii) a director or officer of a subsidiary of the Company; or (iii) a person that beneficially owns or controls, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company.

(i) **“Management Company Employee”** means an individual employed by a person providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a person engaged in investor relations.

(i) **“Insider”** means an “Insider” as that term is defined in Policy 4.4 of the Exchange, as amended.

(j) **“Investor Relations Activities”** means “Investor Relations Activities” as defined in Policy 1.1 of the Exchange, as amended.

(k) **“Investor Relations Service Provider”** means an “Investor Relations Service Provider” as defined in Policy 4.4 of the Exchange, as amended.

(l) **“Management Company Employee”** means a “Management Company Employee” as defined in Policy 4.4 of the Exchange, as amended.

~~(j)~~(m) **“Market Price”** means the price at which the last recorded sale of a board lot of Shares took place on the Exchange during the trading day immediately preceding the date of granting the Option and, if there was no such sale, the closing price on the preceding trading day during which there was such a sale.

(n) “Material Information” means “Material Information” as defined in Policy 1.1 of the Exchange, as amended.

~~(k)~~(o) **“Officer”** means a chair or vice-chair of the Board, a chief executive officer, chief financial officer, chief operating officer, president, vice-president, secretary, assistant secretary, treasurer or assistant treasurer of the Company or any of its subsidiaries or an individual designated as an officer by a resolution of the Board or the constating documents of the Company.

~~(j)~~(p) **“Option”** means an option to purchase Shares granted to an Optionee under this Plan.

(q) **“Optionee”** means an optionee granted an Option pursuant to this Plan when such Optionee was a Permitted Optionee and their heirs, executors and administrators.

~~(m)~~(r) **“Permitted Optionee”** means a Director, Officer, Employee, Management Company Employee or Consultant granted an Option or a corporation, other than a Consultant Company, granted an Option where the corporation’s only shareholder is a Director, Officer or Employee.

~~(n)~~(s) **“Plan”** means this stock option plan as amended, supplemented or restated.

~~(e)~~(t) **“Shares”** means common shares of the Company.

(u) “VWAP” means “VWAP” as defined in Policy 4.4 of the Exchange, as amended.

3. GRANTING OF OPTIONS

3.1 **Administration.** This Plan shall be administered by the Board.

3.2 **Grant by Resolution.** The Board may determine by resolution those ~~Employees, Management Company Employees, Consultants, Officers and Directors~~Optionees to whom Options should be granted and grant to them such Options as the Board determines to be appropriate.

3.3 **Representations to Employees, Consultants, and Management Company Employees.** Every instrument evidencing an Option granted to an Employee, Consultant or Management Company Employee shall contain a representation by the Company and ~~the~~such Optionee that ~~the~~such Optionee is a bona fide Employee, Consultant or Management Company Employee, as applicable.

3.4 **No Grants if Listed on NEX.** The Board shall not grant any Options if the Shares are listed on the NEX Board of the TSX-V or the Company has been given notice that its listing will or might be transferred to NEX.

3.5 **Terms of Option.** The Board shall determine and specify in its resolution the number of Shares that should be placed under Option to each such ~~Employee, Management Company Employee, Consultant, Officer or Director~~Optionee, the price per Share to be paid for such Shares upon the exercise of each such Option, and the period during which such Option may be exercised.

3.6 **Written Agreement.** Every Option shall be evidenced by a written agreement between the Company and the Optionee. If there is any inconsistency between the terms of the agreement and this Plan the terms of this Plan shall govern.

4. CONDITIONS GOVERNING THE GRANTING & EXERCISING OF OPTIONS

4.1 **Agreements must specify Exercise Period and Price, Vesting and Number of Shares.** In granting an Option, the Board must specify a particular time period or periods during which the Option may be exercised, the exercise price required to purchase the Shares subject to the Option and any vesting terms and conditions of the Option, including the number of Shares in respect of which the Option may be exercised during each such time period.

4.2 **Minimum Exercise Price of Options.** The exercise price of an Option shall not be less than the Market Price, less, if the Shares are listed on the TSX-V, the maximum discount permitted by the Exchange, at the time of granting the Option. If the Optionee is subject to the tax laws of the United States of America and owns (as determined in accordance with such laws) greater than 10% of the Shares at the time of granting of the Option the exercise price shall be at least 110% of the Market Price. If the Shares are listed on the TSX-V, no Options shall be granted which are exercisable at a price of less than \$0.05 per Share.

4.3 **Number of Shares subject to Option.** The number of Shares reserved for issuance to an Optionee pursuant to an Option, together with all ~~other of the Company's other previously granted stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares granted to the Optionee in the previous 12 months,~~ shall not exceed, at the time of granting of the Option:

- (a) 5% of the outstanding Shares, unless the Company has obtained disinterested shareholder approval ~~or pursuant to Policy 4.4 of the Shares are listed on the TSX Exchange;~~
- (b) 2% of the outstanding Shares, if the Optionee is a Consultant and the Shares are listed on the TSX-V; or
- (c) 2% of the outstanding Shares (including all other Shares reserved for issuance to all ~~Optionees providing investor relations services to the Company,~~ if the Optionee is engaged in providing investor relations services to the Company and the Shares are listed on the TSX-V. ~~Investor Relations Service Providers), if the Optionee is an Investor Relation Service Provider.~~

4.4 **Vesting of Options.** Subject to further vesting requirements required by the Board on granting of an Option, all Options shall vest and be exercisable on the following terms:

- (a) ~~*If Optionee is Providing Performing Investor Relations Services Activities:*~~ If the Optionee is a Consultant providing investor relations services to the Company and the Shares are listed on the TSX-V ~~an Investor Relations Service Provider,~~ any Option granted to the ~~Consultant~~ Investor Relations Service Provider must vest in stages over at least 12 months with no more than one quarter of the Option vesting in any three-month period.
- (b) ~~*If there is a Change of Control:*~~ If a Change of Control is agreed to by the Company or events which might lead to a Change of Control are commenced by third parties, all Options, subject to the Exchange's approval (if required), shall vest immediately and be fully exercisable notwithstanding the terms thereof. For the purposes hereof "Change of Control" shall mean:
 - (i) any transaction or series of related transactions as a result of which any person, entity or group acquires ownership, after the date of an Option, of at

least 20% of the Shares and they or their representatives become a majority of the Board or assume control or direction over the management or day-to-day operations of the Company; or

- (ii) an amalgamation, merger, arrangement, business combination, consolidation or other reorganization of the Company with another entity or the sale or disposition of all or substantially all of the assets of the Company, as a result of either of which the Company ceases to exist, be publicly traded or the management of the Company or Board do not comprise a majority of the management or a majority of the board of directors, respectively, of the resulting entity,

and to permit Optionees to participate in any of the foregoing, the Board may make appropriate provision for the exercise of Options conditional upon the Shares so issued being taken-up and paid for pursuant to any of the foregoing.

Subject to the approval of the Exchange, if the Optionee is a ~~Consultant providing investor relations services for the Company~~ Investor Relations Service Provider, the Board may advance, at any time, the dates upon which any or all Options shall vest and become exercisable, regardless of the terms of vesting set out in this Plan or the agreement.

4.5 **Exercise of Options if Specified Value Exceeds USD \$100,000.** If the Optionee is subject to the tax laws of the United States of America that part of any Option entitling the Optionee to purchase Shares having a value of USD \$100,000 or less shall be treated as an 'Incentive Stock Option' under United States *Internal Revenue Code* (so that the Optionee may defer the payment of tax on such Shares until the year in which such Shares are disposed of by the Optionee). For the purposes hereof value is determined by multiplying the number of shares which are subject to the Option times the Market Price (at the time of granting of the Option). That part of any Option on Shares having a value in excess of USD \$100,000 shall be treated as a non-qualifying stock option for the purposes of the Code and shall not entitle the Optionee to such tax deferral.

4.6 **Expiry of Options.** Each Option shall expire not later than 10 years from the day on which ~~the~~ such Option is granted.

4.7 **Expiry of Options during or immediately after Trading Blackout Periods.** If an Option expires during, ~~or within five trading days after,~~ a Blackout Period then, notwithstanding Section 4.6 or the terms of the Option, the term of the Option shall be extended and the Option shall expire ~~10 trading days after the termination of the Blackout Period.~~ business days after the termination of the Blackout Period, provided that: (i) the Blackout Period was formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information, (ii) the Blackout Period expired upon the general disclosure of the undisclosed Material Information referred to in paragraph (i), and (iii) the Company is not subject to a cease trade order or similar order under applicable securities laws.

4.8 **Death or Disability of Optionee.** If an Optionee dies or suffers a Disability prior to the expiry of an Option, the Optionee's legal representatives, before the earlier of the expiry date of the Option and the first anniversary of the Optionee's death or Disability, may exercise that portion of an Option which has vested as at the date of death or Disability. For the purposes hereof "**Disability**" shall mean any inability of the Optionee arising due to medical reasons which the Board considers likely to permanently prevent or substantially impair ~~the~~ the Optionee being ~~an Employee, Management Company Employee, Consultant, Officer or Director~~ able to provide the services necessary to qualify as a Permitted Optionee.

4.9 **Cessation as an Optionee (With Cause).** If an Optionee ceases to ~~be qualify as a Director, Officer, Consultant, Employee or Management Company Employee~~ Permitted Optionee by reason of termination or removal for cause any Option shall terminate immediately on such termination or removal and not be exercisable by the Optionee unless otherwise determined by the Board.

4.10 **Cessation as an Optionee (Without Cause).** If an Optionee ceases to ~~be any of a Director, Officer, Consultant, Employee or Management Company Employee~~ qualify as a Permitted Optionee for any reason except as provided in sections 4.8 or 4.9, any Option shall be exercisable to the extent that it has vested and was exercisable as at the date of such cessation, unless further vesting is permitted by the Board, and must terminate on the earlier of the expiry date of the Option and:

- (a) the 90th day after the Optionee ceased to be ~~any of a Director, Officer, Consultant, Employee or Management Company Employee~~ a Permitted Optionee, or such other date as may be reasonably determined by the Board; or
- (b) if the Optionee is subject to the tax laws of the United States of America, the earlier of the 90th day and the third month after the Optionee ceased to be an Employee or Officer.

4.11 **No Assignment of Options.** No Option or any right thereunder or in respect thereof shall be transferable or assignable otherwise than by will or pursuant to the laws of succession except that, if permitted by the rules and policies of the Exchange, an Optionee shall have the right to assign any Option (other than an 'Incentive Stock Option' under United States Internal Revenue Code) to a corporation wholly-owned by them.

4.12 **Restriction on Resale of Shares Issued on Exercise of an Option.** If the Optionee is an Insider or the Option is exercisable for a price less than the Market Price at the time the Option is granted, the Shares issued upon the exercise of the Option shall be subject to a four month hold period from the time the Option was granted and the certificates representing such Shares shall be legended accordingly.

4.13 **Notice of Exercise of an Option.** Options shall be exercised only in accordance with the terms and conditions of the agreements under which they are respectively granted and shall be exercisable only by notice in writing to the Company.

4.14 **Payment on Exercise of an Option.** Options may be exercised in whole or in part at any time prior to their lapse or termination. Shares purchased by an Optionee on exercise of an Option shall be fully paid for in cash or by certified cheque, bank draft or money order at the time of their purchase.

4.15 **Condition to Issuance of Shares.** The Board may require, as a condition of the issuance of Shares or delivery of certificates representing such Shares upon the exercise of any Option and to ensure compliance with any applicable laws, regulations, rules, orders and requirements that the Optionee or the Optionee's heirs, executors or other legal representatives, as applicable, make such covenants, agreements and representations as the Board deems necessary or desirable.

4.16 **Withholding or Deductions of Taxes.** The Company may deduct, withhold or require an Optionee, as a condition of exercise of an Option, to withhold, pay, remit or reimburse any taxes or similar charges, which are required to be paid, remitted or withheld in connection with the exercise of any Option, provided however, that any such withholding or deduction arrangement must comply with Policy 4.4 of the Exchange and shall not, without limitation, result in an alteration of the exercise price of an Option or create a "Net Exercise" as defined in Policy 4.4 of the Exchange, as amended, except where permitted under this Plan and pursuant to Policy 4.4 of the Exchange.

~~4.17 **Cashless Exercise of Options.** If the Shares are listed on the TSX, an Optionee may elect by notice in writing to the Company to surrender to the Company all or part of an Option, to the extent that the Option has vested and remains unexercised, in consideration of an amount equal to the difference between the aggregate fair market value (based on the weighted average trading price of the Shares on the TSX during the 10 trading days preceding the date of surrender) of the Shares which could have otherwise been purchased upon the exercise of the Option and the aggregate exercise price which the Optionee would have paid upon such exercise. The Company, in its sole discretion, may:~~

4.17 **Cashless Exercise.** Subject to Section 4.19 and the approval of the Board, which approval shall be at the Board's sole discretion, an Optionee (other than an Optionee that is an Investor Relations Service Provider) may exercise an Option by means of a "cashless exercise", where, with the assistance of a brokerage firm with which the Company has an arrangement (a "**Brokerage**") the subject Option may be exercised as follows:

- ~~(a) The Brokerage shall loan money to the Optionee to exercise the Options;~~
- ~~(b) The Brokerage shall sell a sufficient number of Shares to cover the aggregate exercise price of the Options being exercised in order to repay the loan made to the Optionee by payment in the Brokerage; and~~
- ~~(a)(c) The Brokerage shall receive an equivalent number of Shares from the exercise of the Options by the Optionee, and the Optionee shall then receive the balance of the Shares from the exercise of the Option or the cash or issuance of proceeds from the balance of such Shares using such fair market value of the Shares as the issuance price; or,~~
- ~~(a) refuse to accept such surrender, whereupon the Option shall remain in full force and effect.~~

For greater certainty, the Company is not obligated to permit, facilitate or enable a "cashless exercise" of any Option pursuant to this Section 4.17 or to enter into or maintain any arrangement with any Brokerage. Whether an Option may be exercised by way of a "cashless exercise" pursuant to this Section 4.17 shall be at the sole discretion of the Board.

4.18 **Net Exercise of Options.** Subject to Section 4.19 and the approval of the Board, which approval shall be at the Board's sole discretion, an Optionee (other than an Optionee that is an Investor Relations Service Provider), may exercise an Option by means of a "net exercise", where by the Optionee shall not be required to deliver payment of the exercise price in respect of the subject Option being so exercised, and instead the Optionee shall receive only the number of Shares that is equal to the quotient obtained by dividing:

- (a) The product of (i) the number of Shares in respect of which the subject Option is being exercised, and (ii) the difference between the VWAP of the Shares and the exercise price of the subject Option; by
- (b) The VWAP of the Shares.

For greater certainty, the Company is not obligated to permit, facilitate or enable a "net exercise" of any Option pursuant to this Section 4.18. Whether an Option may be exercised by way of a "net exercise" pursuant to this Section 4.18 shall be at the sole discretion of the Board

4.19 **Additional Provisions Regarding Cashless Exercise and Net Exercise.** Notwithstanding any other provision of this Plan:

- (a) The “cashless exercise” provisions of Section 4.17 and the “net exercise” provisions of Section 4.18 are at all times subject to the policies of the Exchange; and
- (b) Options granted to an Investor Relations Service Provider may not be exercised by means of a “cashless exercise” pursuant to Section 4.17 or a “net exercise” pursuant to Section 4.18.
- (c) Upon the exercise of any Option pursuant to a “cashless exercise” under Section 4.17 or a “net exercise” under Section 4.18, the number of Options so exercised, surrendered or converted, and not the number of Shares actually issued, shall be used for calculating any limits with respect to the number of Options that may be granted or exercised under this Plan.

5. RESERVATION OF SHARES FOR OPTIONS

5.1 **Sufficient Authorized Shares to be Reserved.** Whenever the constating documents of the Company limit the number of authorized Shares, a sufficient number of Shares shall be reserved by the Board to satisfy the exercise of Options. Shares that were the subject of Options that have lapsed or terminated shall thereupon no longer be in reserve and may once again be subject to an Option.

5.2 **Maximum Number of Shares to be Reserved Under Plan.** The aggregate number of Shares which may be subject to issuance pursuant to Options and any stock options granted under any other previous or current stock option plan or security compensation arrangement shall be 10% of the outstanding Shares at the time of granting the Options. ~~If any Option expires has been settled in cash, cancelled, terminated, surrendered, forfeited or otherwise terminates for any reason expired without having been being exercised in full, and pursuant to which no securities have been issued, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan, subject to Section 4.19(c).~~

5.3 **Maximum Number of Shares Reserved for Insiders.** All Options, together with all of the Company’s other previously granted stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result, at the time of granting, in:

- (a) the number of Shares reserved for issuance pursuant to Options and all other previously granted stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares granted to Insiders exceeding 10% of the Shares outstanding at any point in time;
- (b) the issuance to Insiders, within a one-year period, of Shares totalling in excess of 10% of the Shares outstanding; or
- (c) the issuance to any one individual, within a one- (and where permitted under this Plan, to any companies that are wholly owned by such individual), within a one-year period, of Shares totalling in excess of 5% of the Shares outstanding,

unless the disinterested shareholders have approved thereof.

6. CAPITAL REORGANIZATIONS

6.1 Adjustments in Shares. If the Shares are at any time increased, decreased or changed into or exchanged for a different number or kind of shares or securities of the Company through an amalgamation, merger, arrangement, reorganization, spin-off or recapitalization, subject to the prior approval of the Exchange, an appropriate and proportionate adjustment shall be made by the Board, in its discretion.

6.16.2 Share Consolidation or Subdivision. If the Shares are at any time subdivided, split or consolidated, the number of Shares reserved for Options shall be similarly increased or decreased and the price payable for any Shares that are then subject to issuance shall be decreased or increased proportionately, as the case may require, so that upon exercising each Option the same proportionate shareholdings at the same aggregate purchase price shall be acquired after such subdivision or consolidation as would have been acquired before.

6.26.3 Stock Dividend. If the Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for Options shall be increased proportionately and the price payable for any Shares that are then subject to issuance shall be decreased proportionately so that upon exercising each Option the same proportionate shareholdings at the same aggregate purchase price shall be acquired after such stock dividend as would have been acquired before, subject to the prior approval of the Exchange, provided that such approval is then a requirement of the Exchange. Where an adjustment under this Section 6.3 would result in a number of Shares being reserved for issuance in excess of the limits in Sections 4.3, 5.2 and 5.3, the Company shall, subject to approval of the Exchange (if such approval is required under the policies of the Exchange), pay to the holders of such Options a cash amount deemed appropriate and proportionate by the Board, in its discretion, in respect of such excess.

6.36.4 No Fractional Shares. No adjustment made pursuant to this Part shall require the Company to issue a fraction of a Share and any fractions of a Share shall be rounded up or down to the nearest whole number, with one-half a Share being rounded up to one Share.

6.46.5 No Adjustment for Cash Dividends or Rights Offerings. No adjustment shall be made to any Option pursuant to this Part in respect of the payment of any cash dividend or the distribution to the shareholders of the Company of any rights to acquire Shares or other securities of the Company.

7. EXCHANGE'S RULES & POLICIES GOVERN & APPLICABLE LAW

7.1 **Exchange's Rules and Policies Apply.** This Plan and the granting and exercise of any Options are also subject to such other terms and conditions as are set out in the rules and policies on stock options of the Exchange and any securities commission having authority and such rules and policies shall be deemed to be incorporated into and become a part of this Plan. If there is an inconsistency between the provisions of such rules and policies and of this Plan, the provisions of such rules and policies shall govern.

7.2 **Compliance With Applicable Laws.** Notwithstanding anything herein to the contrary, the Company shall not be obliged to cause any Shares to be issued or certificates evidencing Shares to be delivered pursuant to this Plan, where issuance and delivery is not, or would result in the Company not, being in compliance with all applicable laws, regulations, rules, orders of governmental or regulatory authorities and the requirements of the Exchange. **If any provision of this Plan, any Option or any agreement entered into pursuant to this Plan contravenes any applicable law, rule, regulation or order, or any policy, bylaw or regulation of the Exchange or any regulatory body having authority over the Company or this Plan, such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith, but the Company shall not be responsible to pay and shall not incur any penalty, liability or further obligation in connection therewith.**

7.3 **No Obligation to File Prospectus.** The Company shall not be liable to compensate any Optionee and in no event shall it be obliged to take any action, including the filing of any prospectus, registration statement or similar document, in order to permit the issuance and delivery of any Shares upon the exercise of any Option in order to comply with any applicable laws, regulations, rules, orders or requirements of any securities regulatory authority.

7.4 **Governing Law.** This Plan shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

8. AMENDMENT OF PLAN & OPTIONS

8.1 **Board May Amend Plan or Options.** The Board may amend or terminate this Plan or any Options but no such amendment or termination, except with the written consent of the Optionees concerned or unless required to make this Plan or the Options comply with the rules and policies of the Exchange, shall affect the terms and conditions of Options which have not then been exercised or terminated.

~~8.2~~ **Shareholder Approval.** The approval of disinterested shareholders for an amendment to this Plan or any Option shall be required in respect of Options granted to Insiders involving:

~~8.38.2~~ the extension of the term of such Option or a reduction of the exercise price, including a reduction effected by cancelling an existing Option and granting a new Option exercisable at a lower price within the subsequent one year period, if the Shares are listed on the TSX-V, or three month period, if the Shares are listed on the TSX; or,

- ~~(a)~~ an extension of the exercise period, if the Shares are listed on the TSX, unless the extension arises from a Blackout Period.

Approval by all holders of Shares, whether the holders are disinterested shareholders or not, is required for:

- (a) an increase in the number of Shares, or percentage of the outstanding Shares, reserved for issuance under this Plan; or
- (b) a change from a fixed number to a fixed percentage of the outstanding Shares, or from a fixed percentage to a fixed number, in the number of Shares reserved for issuance under this Plan.

No approval by any holders of Shares is required for:

- (a) an amendment to comply with applicable law or rules of the Exchange or of a 'housekeeping' nature required to correct typographical and similar errors;
- (b) a change to the vesting provisions;
- (c) a change to the termination provisions, other than an extension of an Option to a new expiry date that falls outside the maximum term currently permitted by this Plan when the Option was first granted;
- (d) a reduction of the exercise price of an Option, including a reduction effected by cancelling an existing Option and granting a new Option exercisable at a lower price, or an extension of the exercise period, if the Optionee is not an Insider; and

- (e) any change in those persons who may be Optionees if such new Optionees are Insiders.

~~8.48.3~~ **Exchange Approval Required.** Any amendment to this Plan or Options shall not become effective until such amendments have been accepted for filing by the Exchange.

9. PLAN DOES NOT AFFECT OTHER COMPENSATION PLANS

9.1 **Other Plans Not Affected.** This Plan shall not in any way affect the policies or decisions of the Board in relation to the remuneration of ~~Directors, Officers, Consultants, Employees and Management Company Employee~~Permitted Optionees.

10. OPTIONEE'S RIGHTS AS A SHAREHOLDER

10.1 **No Rights Until Option Exercised.** An Optionee shall be entitled to the rights pertaining to share ownership, such as to dividends, only with respect to Shares that have been fully paid for and issued to the Optionee upon exercise of an Option.

11. EFFECTIVE DATE & EXPIRY OF PLAN

11.1 **Effective Date.** This Plan has been adopted by the Board 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. Thereafter this Plan shall be approved by the holders of the Shares annually, if the Shares are listed on the TSX-V, ~~or tri-annually, if the Shares are listed on the TSX.~~ If such annual approvals are not obtained, Options may no longer be granted. Options may be granted, but cannot be exercised, prior to the receipt of such approvals.

11.2 **Termination.** This Plan shall terminate upon a resolution to that effect being passed by the Board. Any Options shall continue to be exercisable according to their terms after the termination of this Plan.

Adopted by the Board of Directors on ~~November 8, 2017~~September 26, 2022.

Approved by the shareholders of the Company on October [◆], 2022

