



FORM 51-102F6V

**STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2021**

Set out below is the Statement of Executive Compensation – Venture Issuers for Cleantek Industries Inc. (the “**Corporation**”) for the financial year ended December 31, 2021 (the “**Statement of Executive Compensation**”).

Named Executive Officers

The Corporation’s executive compensation program is available to the Named Executive Officers of the Corporation which is defined by securities legislation to mean each of the following individuals: (i) each individual who, during any part of the most recently completed financial year, served as the Chief Executive Officer (“**CEO**”) of the Corporation, including an individual performing functions similar to a chief executive officer; (ii) each individual who, during any part of the most recently completed financial year, served as the Chief Financial Officer (“**CFO**”) of the Corporation, including an individual performing functions similar to a chief financial officer; (iii) the Corporation’s (and its subsidiaries) most highly compensated executive officer, other than the CEO and the CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and (iv) each individual who would be a “Named Executive Officer” under (iii) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year (the “**Named Executive Officer**” or “**NEO**”).

The Named Executive Officers of the Corporation for the year ended December 31, 2021 were:

Matt Gowanlock ⁽²⁾, President and CEO
Orson Ross ⁽³⁾, CFO
Jesse Curlett ⁽⁴⁾, Former CEO
Eric Laing ⁽⁵⁾, Former President & CEO
Susan Scullion ⁽⁵⁾, Former CFO

Notes:

- (1) Effective October 29, 2021 the business combination (the “**Transaction**”) between Cleantek Industries Inc. (PrivateCo) and Raise Production Inc. (“**Raise**”) to form Cleantek Industries Inc. (the “**Resulting Issuer**”) pursuant to an arrangement agreement (the “**Arrangement Agreement**”) closed. Upon completion of the Transaction, Raise remained listed on the TSX Venture Exchange (“**TSXV**”) and carried on business of Cleantek under the name “Cleantek Industries Inc.” Additional information relating to the Transaction is available under the Corporation’s profile on SEDAR at www.sedar.com.
- (2) Effective closing of the Transaction, Mr. Gowanlock was appointed the Corporation’s President and, effective December 14, 2021, Mr. Gowanlock was also appointed as the Corporation’s CEO.
- (3) Effective closing of the Transaction, Mr. Ross was appointed the Corporation’s CFO.
- (4) Effective closing of the Transaction, Mr. Curlett was appointed the Corporation’s CEO. Mr. Curlett resigned as a director and as the Corporation’s CEO effective December 14, 2021.
- (5) Effective on the closing of the Transaction, Mr. Laing stepped down as the Corporation’s President, CEO and as a director and Ms. Scullion stepped down as the Corporation’s CFO and Corporate Secretary.

Compensation Discussion and Analysis

Following the completion of the Transaction and looking forward to the ensuing fiscal year ending December 31, 2022, the Board, with guidance and recommendations to be provided by the Compensation Committee, has been focused on developing a compensation philosophy for NEOs that is designed to attract well-qualified individuals by paying competitive base salaries plus short and long-term incentive compensation in the form of stock options or other suitable long-term incentives. In making its determinations regarding the various elements of executive compensation, the Corporation will have access to and will rely on published studies of compensation paid in comparable businesses.

The duties and responsibilities of the CEO are typical of those of a business entity of the Corporation's size in a similar business and include direct reporting responsibility to the Corporation's Board, overseeing activities of all other executives of the Corporation, representing the Corporation, providing leadership and responsibility for achieving corporate goals, and implementing corporate policies and initiatives.

The objectives of the Corporation's executive compensation program are reviewed by the Corporation's Board, and are currently as follows:

- to attract, retain and motivate talented executives who create and sustain the Corporation's continued success;
- to align the interests of the Corporation's executives with the interests of the Corporation's shareholders; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in a similar business in appropriate regions.

Overall, the executive compensation program will aim to design executive compensation packages that mirror executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics. The Corporation expects to undergo rapid growth and is committed to retaining its key executives for the next several critical years, while at the same time ensuring that executive compensation is tied to specific corporate goals and objectives. The Corporation's executive compensation program will be designed to reward executives for reinforcing the Corporation's business objectives and values, for achieving the Corporation's performance objectives, and for their individual performance.

The executive compensation program currently consists of a combination of base salary and stock option incentives. The Board (with assistance and recommendation from the Corporation's CEO) also anticipates considering and implementing a performance bonus for its NEOs in due course. The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

The Corporation has adopted procedures to ensure that all employment, consulting, or other compensation arrangements between the Corporation and any director or executive officer of the Corporation or between any director or executive officer of a subsidiary of the Corporation are considered and approved by independent Directors, in accordance with TSXV policies.

Stock Options

The Stock Option Plan provides that the Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation non-transferable options to purchase Common Shares in the capital of the Corporation, provided that the number of Common Shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding Common Shares on a non-diluted basis, and such number shall increase or decrease as the number of issued and outstanding Common Shares changes. The Stock Option Plan was adopted effective October 29, 2021 subsequent to closing of the Transaction.

The Corporation believes that equity-based compensation in the form of stock options will link the interests of its executive officers with the long-term interests of the Corporation's Shareholders. Stock option awards to executive officers (including NEOs) will typically be subject to time-based vesting provisions. The Corporation believes that such awards will encourage NEOs to focus on long-term company performance and increasing long-term Shareholder value and will serve as a useful retention mechanism by encouraging NEOs to remain employed with the Corporation.

The Corporation does not currently have any formal policy regarding when stock options are to be granted or the size of any given grant, and the Corporation does not intend to tie such grants directly to any pre-established corporate or individual goals. The Board will, however, consider and evaluate the total compensation package and make recommendations to the Board, including base salary and cash bonuses received or to be received by a particular executive officer, and will seek to ensure that such total compensation package is fair, reasonable and competitive. When considering an award of options to an executive officer, consideration of the number of options previously granted to the executive will be taken into account.

The Stock Option Plan is subject to the following restrictions:

- a. the exercise period of any stock option granted will not be for a period greater than ten years and the exercise price must be paid in full upon exercise of the stock option;
- b. if any stock option expires or terminates for any reason without having been exercised in full, the number of Common Shares in respect of which the stock option expired or terminated shall again be available for the purposes of the Stock Option Plan;
- c. the number of Common Shares subject to an option granted to any one participant shall be determined by the Board, but no one person shall be granted an option which exceeds the maximum number permitted by the TSXV including the aggregate number of Common Shares reserved for issuance during any 12-month period can be no greater than 5% to any one person and no greater than 2% to any one consultant or person performing investor relations activities on behalf of the Corporation;
- d. in the event of the death of any stock option holder, any vested option held by him or her at the date of death will become exercisable by the person or persons to whom the participant's rights under the stock option shall pass by the participant's will or the laws of descent and distribution until the earlier of one year after the date of death and the date of expiration of the term otherwise applicable to such option;
- e. if the stock option holder ceases to be a director, officer, consultant or employee of the Corporation other than be reason of death, the stock options granted will expire on the 90th day following the date the stock option holders ceases to be affiliated with the Corporation, subject to any regulatory requirements;
- f. stock options granted under the Stock Option Plan shall not be assignable or transferable by any option holder;
- g. the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Stock Option Plan with respect to all Common Shares under the Stock Option Plan in respect of options which have not yet been granted under the Stock Option Plan, subject to regulatory approval; and
- h. subject to any vesting restrictions imposed by the TSXV, the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist.

A four month hold period commencing on the date the stock options are granted is required for options granted to insiders of the Corporation or granted at any discount to the Market Price (as defined in TSXV Policy 1.1). Notice of options granted under the Stock Option Plan must be provided to the TSXV at the

end of each calendar month in which stock options are granted. Any amendments to the Stock Option Plan must be approved by the TSXV and, if necessary, by the Shareholders prior to becoming effective. Annual shareholder approval of the Stock Option Plan is required.

Executive officers and directors of the Board 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 officer or director.

A copy of the Stock Option Plan in its entirety is attached as Schedule "A" to the Statement of Executive Compensation.

Broad-Based Benefits Programs

All full-time employees, as well as the Corporation's NEOs, may participate in the Corporation's health and welfare benefit programs, including medical, dental and vision care coverage, disability insurance and life insurance. The Corporation does not intend to provide perquisites or personal benefits to its NEOs that are not otherwise generally available to other employees.

Determination of the Amount of Each Element of the Executive Compensation Program

Base Salary

The base salary review of any NEO will take into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. Base salary is not currently evaluated against a formal "peer group".

Performance Bonuses

The Corporation's Board will oversee the operation of the bonus plan by evaluating and approving the targets and the objectives to be met by the NEOs and the amount of bonus payable at specific levels of attainment of those targets and objectives. The bonus for any individual NEO will vary and be dependent upon the position and financial performance of the related business unit or corporate activity.

Each element of the compensation plan will be designed to meet one or more objectives of the overall program.

The fixed base salary of any NEO, combined with the granting of stock options, has been designed to provide total compensation which the Corporation's Board believes is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Option-Based Awards

The Corporation's Proposed Plan will be administered by the Compensation Committee that will provide recommendations for further consideration and final approval by the Board.

The value of option-based awards will be based on grant date fair value using the Black-Scholes option-pricing model.

Director Compensation

Currently the non-executive directors receive no cash compensation but do receive stock options as determined by the Board from time to time and are reimbursement of reasonable travel expenses, with such compensation reviewed annually by the Compensation Committee.

Director and Named Executive Officer Compensation Excluding Compensation Securities

The following table sets forth all compensation (other than compensation securities) paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation, or a subsidiary of the Corporation to the Corporation's NEO's and directors for the two most recently completed financial years.

Table of Compensation Excluding Compensation Securities							
Name and Position	Fiscal Year Dec. 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Matt Gowanlock ⁽¹⁾ President and CEO	2021	33,846	60,000	N/A	2,077 ⁽⁷⁾	N/A	95,923
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Orson Ross ⁽²⁾ CFO	2021	33,846	N/A	N/A	2,077 ⁽⁷⁾	N/A	35,923
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Jesse Curlett ⁽³⁾ Former CEO and Director	2021	241,538	N/A	N/A	185 ⁽⁷⁾	140,000 ⁽⁸⁾	381,723
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Eric Laing ⁽⁴⁾⁽⁵⁾ Former President, CEO and Director	2021	89,056	Nil	Nil	1,020 ⁽⁷⁾	300,000 ⁽⁸⁾	390,076
	2020	148,412	Nil	Nil	2,700	Nil	151,112
Susan Scullion ⁽⁴⁾ Former CFO and Corporate Secretary	2021	84,082	Nil	Nil	1,355 ⁽⁷⁾	58,569 ⁽⁸⁾	144,006
	2020	136,429	Nil	Nil	2,400	Nil	138,829
Paul Colucci ⁽⁶⁾ Director	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Phillip R. Knoll ⁽⁶⁾ Director	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Christopher J. Lewis ⁽⁶⁾ Director	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Richard F. McHardy ⁽⁶⁾ Chari of the Board	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Reginald J. Greenslade ⁽⁶⁾ Director	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Albert J. Stark ⁽⁶⁾ Director	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Effective the closing of the Transaction, being October 29, 2021, Mr. Gowanlock was appointed the Corporation's President. Effective December 14, 2021, Mr. Gowanlock was also appointed the Corporation's CEO.
- (2) Effective the closing of the Transaction, being October 29, 2021, Mr. Ross was appointed the Corporation's CFO.
- (3) Effective the closing of the Transaction, being October 29, 2021, Mr. Curlett was appointed the Corporation's CEO and to the Corporation's Board of Directors. Effective December 14, 2021, Mr.

- Curlett resigned as a director and as the Corporation's CEO. Mr. Curlett did not receive any additional compensation for his role as a director of the Corporation.
- (4) Effective on the closing of the Transaction, being October 29, 2021, Mr. Laing stepped down as the Corporation's President, CEO and as a director and Ms. Scullion stepped down as the Corporation's CFO and Corporate Secretary.
- (5) Mr. Laing did not receive any additional compensation for his role as a director of the Corporation.
- (6) Appointed to the Corporation's Board of Directors subsequent to closing of the Transaction.
- (7) Consists of vehicle allowance.
- (8) Consists of the value of shares issued as part of the severance agreements.

Stock Options and Other Compensation Securities

The following table sets forth all compensation securities granted or issued to Named Executive Officers and directors by the Corporation or one of its subsidiaries during the year ended December 31, 2021.

Compensation Securities							
Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Matt Gowanlock President and CEO	Options	350,000 ⁽¹²⁾ (1.3%) 100,000 (0.4%)	Mar. 03/21 Nov. 26/21	1.20 1.40	1.20 1.40	1.00 1.00	Mar. 03/26 Nov. 11/26
Orson Ross CFO	Options	175,000 (0.6%)	Nov. 26/21	1.40	1.40	1.00	Nov. 11/26
Jesse Curlett Former CEO and Director		350,000 ⁽¹²⁾ (1.3%)	Mar. 03/21	1.20	1.20	1.00	Mar. 03/26
Eric Laing Former President, CEO and Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Susan Scullion Former CFO	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Paul Colucci Director	Options	100,000 (0.4%)	Nov. 26/21	1.40	1.40	1.00	Nov. 11/26
Phillip R. Knoll Director	Options	75,000 ⁽¹²⁾ (0.3%) 75,000 (0.3%)	Mar. 03/21 Nov. 26/21	1.20 1.40	1.20 1.40	1.00 1.00	Mar. 03/26 Nov. 11/26
Christopher J. Lewis Director	Options	75,000 ⁽¹²⁾ (0.3%) 75,000 (0.3%)	Mar. 03/21 Nov. 26/21	1.20 1.40	1.20 1.40	1.00 1.00	Mar. 03/26 Nov. 11/26
Richard F. McHardy Director	Options	125,000 (0.5%)	Nov. 26/21	1.40	1.40	1.00	Nov. 11/26
Reginald J. Greenslade Director	Options	125,000 (0.5%)	Nov. 26/21	1.40	1.40	1.00	Nov. 11/26

Compensation Securities

Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Albert J. Stark Director	Options	125,000 (0.5%)	Nov. 26/21	1.40	1.40	1.00	Nov. 11/26

Notes:

- (1) As at December 31, 2021, Mr. Gowanlock held 450,000 stock options.
- (2) As at December 31, 2021, Mr. Ross held 175,000 stock options.
- (3) As at December 31, 2021, Mr. Curlett held NIL stock options.
- (4) As at December 31, 2021, Mr. Laing held NIL stock options.
- (5) As at December 31, 2021, Ms. Scullion held NIL stock options.
- (6) As at December 31, 2021, Mr. Colucci held 100,000 stock options which are held for the benefit of certain funds managed by PillarFour Capital Partners Inc.
- (7) As at December 31, 2021, Mr. Knoll held 150,000 stock options.
- (8) As at December 31, 2021, Mr. Lewis held 150,000 stock options.
- (9) As at December 31, 2021, Mr. McHardy held 125,00 stock options.
- (10) As at December 31, 2021, Mr. Greenslade held 125,000 stock options.
- (11) As at December 31, 2021, Mr. Stark held 125,000 stock options.
- (12) Pursuant to the terms of the Arrangement Agreement, Cleantek Industries Inc. (PrivateCo) options that were issued and outstanding effective on closing of the Transaction remained outstanding under the terms of Raise's stock option plan, which was adopted effective October 29, 2021 subsequent to closing of the Transaction. Additional information relating to the Transaction is available under the Corporation's profile on SEDAR at www.sedar.com.

Exercise of Compensation Securities by Directors and NEOs

The following table sets forth each exercise of compensation securities by a Named Executive Officer or director during the year ended December 31, 2021.

Exercise of Compensation Securities by Directors and NEOs

Name and Position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise ⁽¹⁾ (\$)	Difference between exercise price and closing price on date of exercise ⁽¹⁾ (\$)	Total value on exercise date ⁽¹⁾ (\$)
Jesse Curlett, Former CEO and Director ⁽²⁾	Options	350,000	1.20	Nov. 19/21	1.60	0.40	140,000

Notes:

- (1) During the fiscal year ending December 31, 2021, Mr. Curlett exercised a total of 350,000 Options. Each option entitled the holder to purchase one Common Share of the Corporation at \$1.20 and the Options vested on November 19, 2021 as part of the severance agreement at a deemed price of \$1.60 per share.
- (2) Effective the closing of the Transaction, being October 29, 2021, Mr. Curlett was appointed the Corporation's CEO and to the Corporation's Board of Directors. Effective December 14, 2021, Mr. Curlett resigned as a director and as the Corporation's CEO.

Employment and Consulting Agreements

Termination and Change of Control Benefits

Orson Ross

Mr. Ross is subject to terms of employment which continue indefinitely and provides for payment of his annual base salary and participation in certain benefits provided by the Corporation until the employment agreement is terminated. The employment agreement contains provisions providing for the payment by the Corporation to Mr. Ross of certain amounts and benefits in the event of termination. The Corporation is entitled to immediately terminate the employment agreement with Mr. Ross at any time for just cause and is then obligated to pay Mr. Ross' outstanding wages and outstanding vacation pay earned but unpaid, up to and including the date of termination. The Corporation may immediately terminate Mr. Ross' employment at any time for any reason other than just cause by providing written notice of the termination date and is then obligated to pay Mr. Ross the following: (i) his *pro-rata* annual base salary earned for services rendered up to and including the termination date; (ii) all accrued and unused vacation pay and reimbursable expenses owing up to and including the termination date; and (iii) a termination amount equal to 12 months base salary. Mr. Ross may terminate his employment by giving 30 days' advance written notice of the termination date to the Board and in such an event, the Corporation will have no further obligations to Mr. Ross except for the payment of any outstanding wages and outstanding vacation pay earned but unpaid up to and including the termination date.

Matt Gowanlock

Mr. Gowanlock is subject to terms of employment which continue indefinitely and provides for payment of his annual base salary and participation in certain benefits provided by the Corporation until the employment agreement is terminated. The employment agreement contains provisions providing for the payment by the Corporation to Mr. Gowanlock of certain amounts and benefits in the event of termination. The Corporation is entitled to terminate the employment agreement with Mr. Gowanlock at any time for just cause by providing written notice of the termination date to Mr. Gowanlock and is then obligated to pay Mr. Gowanlock's *pro-rata* annual base salary earned for service rendered up to and including the termination date, plus any accrued vacation pay and reimbursable expenses owing up to and including the termination date.

The Corporation may immediately terminate Mr. Gowanlock's employment at any time for any reason other than just cause by providing written notice of the termination date and is then obligated to pay Mr. Gowanlock the following: (i) his *pro-rata* annual base salary earned for services rendered up to and including the termination date; (ii) all accrued and unused vacation pay and reimbursable expenses owing up to and including the termination date; and (iii) a termination amount equal to 12 months base salary in effect on the termination date and an amount equivalent to the average annual bonus paid to Mr. Gowanlock in the one calendar year immediately preceding the calendar year in which the termination date occurs (together the "**Severance Amount**").

If within 90 days of a Change of Control there is an event or events that constitute Good Reason, Mr. Gowanlock will be entitled to treat his employment as being "terminated without cause", and be entitled to the Severance Amount. Good Reason being defined as any material adverse change by the Corporation, without Mr. Gowanlock's agreement, in his annual base salary or in any of his duties, powers, rights, discretions, title or lines of reporting, such that immediately after such change or series of changes, Mr. Gowanlock's responsibilities and status, taken as a whole, are not at least substantially equivalent in the aggregate to those assigned to him immediately prior to such change or series of changes ("**Good Reason**").

A Change of Control is defined as: (i) the purchase or acquisition, without the prior consent of the Board of Directors, of any voting shares or convertible securities by a holder which results in the holder beneficially owning, or exercising control or direction over, voting shares or convertible securities such that, assuming only the conversion of convertible securities beneficially owned or over which control or direction is

exercised by the holder, the holder would beneficially own, or exercise control or direction over, voting shares carrying the right to cast more than 50% of the votes attaching to all voting shares; or (ii) (A) the Corporation completes an amalgamation, arrangement, merger or other consolidation or combination of the Corporation with another corporation or entity which requires approval of the shareholders of the Corporation pursuant to its statute of incorporation, or (B) the purchase or acquisition, with or without the prior consent of the Board of Directors, of any voting shares or convertible securities by a holder which results in the holder beneficially owning, or exercising control or direction over, voting shares or convertible securities such that, assuming only the conversion of convertible securities beneficially owned or over which control or direction is exercised by the holder, the holder would beneficially own, or exercise control or direction over, voting shares carrying the right to cast more than 50% of the votes attaching to all voting shares, and immediately following the event described in paragraphs (A) and (B) above, as the case may be, the Board of Directors immediately prior to such event do not constitute a majority of the board of directors (or equivalent) of the successor or continuing corporation or entity immediately following such event; or (iii) the election at a meeting of the Corporation's shareholders of that number of persons which would represent a majority of the Board of Directors, as directors of the Corporation who are not included in the slate for election at such meeting as directors proposed to the Corporation's shareholders by the Corporation; or (iv) the liquidation, dissolution or winding-up of the Corporation; or (v) the sale, lease or other disposition of all or substantially all of the assets of the Corporation; or (vi) a determination by the Board of Directors that there has been a change, whether by way of a change in the holding of the voting shares of the Corporation or otherwise, in the ownership of the Corporation's assets or by any other means, as a result of which any person or group of persons acting jointly or in concert is in a position to exercise effective control of the Corporation. For the purposes of Mr. Gowanlock's executive employment agreement, "**Voting Shares**" means any securities of the Corporation ordinarily carrying the right to vote at elections of directors, "**Convertible Securities**" means any securities convertible or exchangeable into Voting Shares or carrying the right or obligation to acquire Voting Shares, and "**Holder**" means a person, a group of persons or persons acting jointly or in concert or persons associated or affiliated, within the meaning of the *Securities Act* (Alberta), with any such person, group of persons or any of such persons acting jointly or in concert;

Mr. Gowanlock's executive employment agreement contains standard non-solicitation provisions that prohibit him from soliciting the Corporation's employees or consultants or customers, clients or suppliers for one year following the cessation of employment.

Mr. Gowanlock may terminate his employment by giving 30 days' advance written notice of the termination date to the Corporation and in such an event, the Corporation's obligation to compensate Mr. Gowanlock shall cease on the termination date, save and except only for payment of the *pro-rata* annual base salary earned for services rendered up to and including the termination date, plus any accrued vacation pay and reimbursable expenses owing up to and including the termination date.

The table below sets out an estimated aggregate amount that each of Messrs. Gowanlock and Ross would have been entitled to receive if he had been terminated without cause.

Name	Annual Salary Component (\$)	Loss of Benefits and Perquisites Component (\$)	Total Severance Amount (\$) ⁽¹⁾
Matt Gowanlock	200,000	12,000	212,000
Orson Ross	200,000	12,000	212,000

Notes:

- (1) Does not include severance amounts related to bonuses as no bonuses were accrued or payable to Messrs. Gowanlock and Ross for the year ended December 31, 2021.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at the end of the Corporation's most recently completed financial year.

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of Common Shares remaining available for issuance under equity compensation plans (excluding securities reflected in column a)
Equity compensation plans approved by securityholders	2,702,500	1.29	27,000
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
Total	2,702,500	\$1.29	27,000

Note:

(1) As at December 31, 2021, the Corporation had 27,615,000 Common Shares issued and outstanding.

Approved by the Board of Directors June 27, 2022.

**SCHEDULE "A" ATTACHED TO THE STATEMENT OF EXECUTIVE COMPENSATION FOR
CLEANTEK INDUSTRIES INC. FOR THE YEAR ENDED DECEMBER 31, 2021.**

STOCK OPTION PLAN

AMENDED AND RESTATED STOCK OPTION PLAN

CLEANTEK INDUSTRIES INC.

1. Purpose

The purpose of the Stock Option Plan (the "**Plan**") of Cleantek Industries Inc., a corporation incorporated under the *Business Corporations Act* (Alberta) (the "**Corporation**") is to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire common shares in the share capital of Corporation, thereby increasing their proprietary interest in the Corporation and encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

2. Definitions and Interpretation

When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to them as follows:

"Black Out Period" means any period during which a policy of the Corporation prevents an Insider from trading in the Common Shares;

"Board" or **"Board of Directors"** means the Board of Directors of the Corporation;

"Common Shares" means common shares in the capital of the Corporation and any shares or securities of the Corporation into which such common shares are changed, converted, subdivided, consolidated or reclassified;

"Corporation" means Cleantek Industries Inc. and any successor corporation and any reference herein to action by the Corporation means action by or under the authority of its Board of Directors or a duly empowered committee appointed by the Board of Directors;

"Exchange" means the TSX Venture Exchange Inc. or any other stock exchange on which the Common Shares are listed;

"Exchange Policies" means, collectively, Policy 4.4 of the Exchange entitled "Incentive Stock Options", Policy 1.1 of the Exchange entitled "Interpretation" and any other policies set forth in the Corporate Finance Manual of the Exchange applicable to incentive stock options;

"Option" means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Common Shares from treasury at a price determined by the Board of Directors;

"Option Period" means the period determined by the Board of Directors during which an Optionee may exercise an Option not to exceed the maximum period permitted by the Exchange, which maximum period is 10 years from the date the Option is granted;

"Optionee" or **"Participant"** means a person who is a director, officer, employee or consultant of the Corporation or a subsidiary of the Corporation; a corporation wholly-owned by such persons; or any other individual or body corporate who may be granted an option pursuant to the requirements of the Exchange, who is granted an Option pursuant to this Plan; and

“Plan” shall mean the Corporation’s incentive stock option plan as embodied herein and as from time to time amended.

Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Exchange Policies, including without limitation “Consultant”, “Discounted Market Price”, “Employee”, “Insider”, “Investor Relations Activities”, “Management Company Employee”, “Tier I Issuer” and “Tier 2 Issuer”.

Wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the parties so require.

3. Administration

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

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan.

All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

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

Each Option granted by the Corporation prior to the date of the approval of the Plan by the shareholders of the Corporation, including Options granted under previously approved stock option plans of the Corporation, be and are continued under and shall be subject to the terms of the Plan after the Plan has been approved by the shareholders of the Corporation.

4. Stock Exchange Rules

All Options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the Common Shares of the Corporation are then listed on the Exchange.

5. Common Shares Subject to Plan

The number of authorized but unissued Common Shares that may be issued upon the exercise of Options granted under the Plan at any time plus the number of Common Shares reserved for issuance under outstanding incentive stock options otherwise granted by the Corporation shall not exceed 10% of the issued and outstanding Common Shares on a non-diluted basis, and such number shall increase or decrease as the number of issued and outstanding Common Shares changes.

Appropriate adjustments shall be made as set forth in Section 17 hereof in both the number of Common Shares covered by individual grants and the total number of Common Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Corporation.

If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unexercised Common Shares subject thereto shall again be available for the purpose of the Plan.

No fractional shares may be purchased or issued hereunder.

6. Maintenance of Sufficient Capital

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

7. Eligibility

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

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

A Participant who has been granted an Option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional Option or Options if the Board shall so determine. Pursuant to Exchange Policies, the Corporation shall represent that the Participant is a bona fide Employee, Consultant or Management Company Employee in respect of Options granted to such Participant.

8. Participation

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect a Participant's relationship or employment with the Corporation.

Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any Participant any right with respect to continuance as a director, officer, employee or consultant of the Corporation or any subsidiary of the Corporation.

Options shall not be affected by any change of employment of the Participant or by the Participant ceasing to be a director or officer of or a consultant to the Corporation or any of its subsidiaries, where the Participant at the same time becomes or continues to be a director, officer or employee of or a consultant to the Corporation or any of its subsidiaries.

No Participant shall have any of the rights of a shareholder of the Corporation in respect of Common Shares issuable on exercise of an Option until such Common Shares shall have been paid for in full and issued by the Corporation on exercise of the Option, pursuant to this Plan.

9. Exercise Price

- (a) The exercise price of the Common Shares subject to each Option shall be determined by the Board, subject to applicable Exchange approval, at the time any Option is granted. In no event shall such exercise price be lower than the Discounted Market Price, as permitted by the Exchange.

- (b) Once the exercise price has been determined by the Board, accepted by the Exchange and the Option has been granted, subject to the policies of the Exchange, the exercise price of an Option may be reduced upon receipt of Board approval, provided that in the case of Options held by insiders of the Corporation (as defined in the policies of the Exchange), the exercise price of an Option may be reduced only if disinterested shareholder approval is obtained.

10. Number of Optioned Common Shares

- (a) Subject to Exchange policies, the aggregate number of Common Shares that may be issued pursuant to the exercise of Options awarded under the Plan in any 12-month period and determined at the date of the grant is subject to the following limitations:
 - i) the aggregate number of Common Shares reserved for issuance to any one person under the Plan, together with all other security-based compensation arrangements of the Corporation, must not exceed 5% of the issued and outstanding Common Shares (on a non-diluted basis);
 - ii) in the aggregate, no more than 2% of the issued and outstanding Common Shares may be granted to any one consultant of the Corporation (or any of its subsidiaries);
 - iii) in the aggregate, no more than 2% of the issued and outstanding Common Shares may be granted to persons employed to provide Investor Relations Activities. Options granted to Consultants performing Investor Relations Activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than 1/4 of the Options vesting in any 3-month period; and
 - iv) the number of Common Shares subject to an Option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an Option which exceeds the maximum number permitted by the Exchange.

11. Duration of Option

Each Option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 13 and 14, provided that in no circumstances shall the duration of an Option exceed the maximum term permitted by the Exchange. For greater certainty, if the Corporation is listed on the TSX or on the TSX Venture Exchange Inc., the maximum term may not exceed 10 years.

Should the expiry date of an Option fall within a Black Out Period or within nine business days following the expiration of a Black Out Period, subject to the maximum term of 10 years, such expiry date of the Option shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the Black Out Period, such tenth business day to be considered the expiry date for such Option for all purposes under the Plan. The ten-business day period referred to in this paragraph may not be extended by the Board.

12. Option Period, Consideration and Payment

- (a) The Option Period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the Option Period shall be reduced with respect to any Option as provided in Sections 13 and 14 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.

- (b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist.
- (c) Subject to any vesting restrictions imposed by the Board, Options may be exercised in whole or in part at any time and from time to time during the Option Period. To the extent required by the Exchange, no Options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.
- (d) Except as set forth in Sections 13 and 14, no Option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- (e) The exercise of any Option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Common Shares with respect to which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Common Shares with respect to which the Option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Common Shares of the Corporation unless and until the certificates for Common Shares issuable pursuant to Options under the Plan are issued to him or them under the terms of the Plan.

13. Ceasing To Be a Director, Officer, Consultant or Employee

If a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee as a result of having been dismissed from any such position for cause, all unexercised Option rights of that Participant under the Plan shall immediately become terminated and shall lapse, notwithstanding the original term of the Option granted to such Participant under the Plan. If "cause" is defined in an employment agreement between such Participant and the Corporation, the meaning of "cause" shall be as provided for in such employment agreement. If "cause" is not so defined, then "cause" shall mean a circumstance that would entitle the Corporation to terminate the employment or service agreement of such Participant at law, without notice or compensation, as a result of such termination.

If a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee for any reason other than as a result of having been dismissed for cause or as a result of the Participant's death, such Participant shall have the right to exercise any granted Options under the Plan with respect to all optioned Common Shares of such Participant to the extent they were exercisable on the date of ceasing to be either a director, officer, consultant, employee of the Corporation, or its subsidiaries, or Management Corporation Employee, for ninety (90) days following cessation of such position. Upon the expiration of such term all unexercised option rights of that Participant shall immediately become terminated and shall lapse.

Except as determined by the Board, all Options will cease to vest as at the date upon which the Participant ceases to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, which, in the case of an employee or consultant of the Corporation or its subsidiaries and affiliates, shall be the date on which active employment or engagement, as applicable, with the Corporation or its subsidiaries and affiliates, terminates, specifically without regard to any period of reasonable notice or any salary continuance.

Nothing contained in the Plan, nor in any Option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

14. Death of Participant

Notwithstanding section 13, in the event of the death of a Participant, the Option previously granted to him shall be exercisable only within the one (1) year after such death and then only:

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

15. Proceeds from Sale of Common Shares

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

16. Takeover or Change of Control

The Corporation shall have the power, in the event of:

- a) any disposition of all or substantially all of the assets of the Corporation, or the dissolution, merger, amalgamation or consolidation of the Corporation with or into any other corporation or of such corporation into the Corporation, or
- b) any change in control of the Corporation,

to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including without limitation, to amend any stock option agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Corporation shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Corporation prior to the completion of such transaction.

17. Adjustments

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

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

18. Transferability

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

19. Prior Stock Option Plan

On the effective date (as defined in Section 23 hereof), subject to Exchange approval and, if required, shareholder approval:

- a) the Plan shall entirely replace and supersede prior stock option plans, if any, enacted by the Corporation; and
- b) all outstanding Options shall be deemed to be granted pursuant to the Plan.

20. Costs

The Corporation shall pay all costs of administering the Plan.

21. Amendment and Termination of Plan

- a) The Board of Directors may amend or terminate this Plan or any outstanding Option granted hereunder at any time without the approval of the shareholders of the Corporation or any Optionee whose Option is amended or terminated, in order to conform this Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or any other regulatory authority having jurisdiction over the Corporation, whether or not such amendment or termination would affect any accrued rights, subject to the approval of the Exchange or such other regulatory authority.
- b) The Board of Directors may amend or terminate this Plan or any outstanding Option granted hereunder for any reason other than the reasons set forth in Section 21(a) hereof, subject to the approval of the Exchange or any other regulatory authority having jurisdiction over the Corporation, and the approval of the shareholders of the Corporation if required by the Exchange or such other regulatory authority. Subject to Exchange Policies, disinterested shareholder approval will be obtained for any reduction in the exercise price of an Option if the Optionee is an Insider of the Corporation at the time of the proposed amendment. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights which have accrued to him prior to the effective date thereof.
- c) The Plan, and any amendments thereto, shall be subject to acceptance and approval by the Exchange. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.

22. Necessary Approvals

The ability of a Participant to exercise Options and the obligation of the Corporation to issue and deliver Common Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Common Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Common Shares shall terminate and any Option exercise price paid to the Corporation will be returned to the Participant.

23. Effective Date of Plan

This Plan shall become effective as of and from, and the effective date of the Plan shall be, the date of shareholder approval for the Plan, if such approval is required by the Exchange, subject to final Exchange approval for the Plan, or the date of final Exchange approval for the Plan if the Exchange does not require shareholder approval for the Plan.

24. Applicable Law

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