

**COLOURED TIES CAPITAL INC.**  
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Vancouver, British Columbia Canada V6H 1C3  
Tel: 604 805-4602

**Form 51-102F6V**

*Statement of Executive Compensation – Venture Issuers  
(for financial year ended September 30, 2023)*

**GENERAL**

For the purposes of this Information Circular:

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries.

“**NEO**” or “**named executive officer**” means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, for that financial year; or
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

**DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION**

During financial year ended September 30, 2023, based on the definition above, the NEOs of the Company were: Kulwant Malhi, Chairman, Chief Executive Officer and Director, Zara Kanji, Chief Financial Officer. The Directors of the Company who were not NEO’s during financial year ended September 30, 2023 were: Desmond M. Balakrishnan, Christopher R. Cooper and Bala Pratap Reddy Udumala.

During financial year ended September 30, 2022, based on the definition above, the NEOs of the Company was Kulwant Malhi, Chairman, Chief Executive Officer and Director. The Directors of the Company who were not NEO’s during financial year ended September 30, 2022 were: Desmond M. Balakrishnan, Christopher R. Cooper and Bala Pratap Reddy Udumala.

**Table of Compensation, Excluding Compensation Securities  
for financial years ended September 30, 2023 and September 30, 2022**

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company for the two financial years ended

September 30, 2023 and September 30, 2022. Options and compensation securities are disclosed under the heading “Stock Options and Other Compensation Securities” of this Form.

Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Kulwant Malhi <sup>(1)</sup> Chairman, CEO and Director	2023	252,750	--	--	--	-	252,750
	2022	223,537	--	--	--	-	223,537
Zara Kanji <sup>(2)</sup> CFO and Corporate Secretary	2023	63,000	--	--	--	78,658 <sup>(7)</sup>	141,658
	2022	55,500	--	--	--	35,370 <sup>(7)</sup>	90,870
Bala Pratap Reddy Udumala <sup>(3)</sup> Director	2023	31,000	--	--	--	--	31,000
	2022	24,000	--	--	--	--	24,000
Christopher R. Cooper <sup>(4)</sup> Director	2023	32,550	--	3,150	--	--	35,700
	2022	24,300	--	2,288	--	--	26,588
Desmond M. Balakrishnan <sup>(5)</sup> Director	2023	--	--	--	--	271,571 <sup>(6)</sup>	271,571
	2022	--	--	--	--	100,098 <sup>(6)</sup>	100,098

Notes:

- (1) Mr. Malhi was appointed Chairman and CEO of the Company on March 20, 2019. Mr. Malhi was appointed a Director of the Company on March 8, 2019.
- (2) Ms. Kanji was appointed CFO and Corporate Secretary of the Company on September 24, 2021.
- (3) Mr. Udumala was appointed a Director of the Company on March 8, 2019.
- (4) Mr. Cooper was appointed a Director of the Company on April 29, 2020.
- (5) Mr. Balakrishnan was appointed a Director of the Company on April 29, 2020.
- (6) Legal consulting fees paid to a Firm (McMillan LLP) where the Director is a partner.
- (7) Accounting fees paid to a Firm (Zara Kanji & Associates, CPA) where the CFO is a principle.

The NEOs and directors of the Company have provided their services through their own companies, independent of any external arrangements or agreements with the Company.

### **Stock Option Plan and Other Incentive Plans**

#### **A. Share Option Plan (Option-Based Awards)**

At the Company’s annual general and special meeting held on October 16, 2023, shareholders of the Company approved the Company’s share option plan dated for reference August 18, 2022, as further amended and dated August 31, 2023 (the “**Option Plan**”).

A copy of the Option Plan is attached as Schedule C to the Information Circular to the Company’s October 16, 2023 annual general and special meeting.

The Share Option Plan is rolling share option plan pursuant to which up to 10% of the outstanding Common Shares may be reserved for issue from time to time.

#### ***Material Terms to the Option Plan***

The following is a summary of the material terms of the Option Plan:

- (a) Persons who are Service Providers, being a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Consultant Company, and also includes a company, 100% of

the share capital of which is beneficially owned by one or more Service Providers are eligible to receive grants of Options under the Option Plan;

- (b) The maximum aggregate number of Common Shares that may be reserved for issuance under the Plan at any point in time is up to 10% of the Outstanding Shares as at the date of grant or issuance of any Options under the Option Plan;
- (c) The Option Plan provides for the following limits on grants, for so long as the Company is subject to the requirements of the TSX Venture, unless disinterested Shareholder approval is obtained or unless permitted otherwise pursuant to the policies of the TSX Venture:
  - (i) the maximum number of Common Shares that may be issued to any one Option Plan Participant (and where permitted pursuant to the policies of the TSX Venture), any company that is wholly-owned by this Plan Participant under the Option Plan, together with any other security based compensation arrangements, within a twelve (12) month period, may not exceed 5% of the issued Common Shares calculated on the date of grant;
  - (ii) the maximum number of Common Shares that may be issued to insiders collectively under the Option Plan, together with any other security based compensation arrangements, within a twelve (12) month period, may not exceed 10% of the issued Common Shares calculated on the date of grant; and
  - (iii) the maximum number of Common Shares that may be issued to insiders collectively under the Option Plan, together with any other security based compensation arrangements, may not exceed 10% of the issued Common Shares at any time.

For so long as such limitation is required by the TSX Venture, the maximum number of Options which may be granted within any twelve (12) month period to the Option Plan Participants who perform investor relations activities must not exceed 2% of the issued and outstanding Common Shares, and such Options must vest in stages over twelve (12) months with no more than 25% vesting in any three month period. In addition, the maximum number of Common Shares that may be granted to any one consultant under the Option Plan, together with any other security based compensation arrangements, within a twelve (12) month period, may not exceed 2% of the issued Common Shares calculated on the date of grant.

Investor Relations Service Providers cannot receive any security based compensation other than Options.

- (d) The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Option Plan, and cannot be less than the Discounted Market Price;
- (e) The term of an Option will be set by the Board at the time such Option is allocated under the Option Plan. An Option can be exercisable for a maximum of 10 years from the Effective Date;
- (f) Vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Option Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:
  - (i) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
  - (ii) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period;

- (g) Options granted to Investor Relations Service Providers will vest such that:
  - (i) no more than 25% of the Options vest no sooner than three months after the Options were granted;
  - (ii) no more than another 25% of Options vest no sooner than six months after the Options were granted;
  - (iii) no more than 25% of Options vest no sooner than nine months after the Options were granted; and
  - (iv) the remainder of the Options vest no sooner than 12 months after the Options were granted;
- (h) In the case of an Optionee being dismissed from employment or service for Cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate on the Termination Date without right to exercise same;
- (i) All options granted shall be evidenced by written option agreements;
- (j) The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:
  - (i) the Option Plan, together with any other Security Based Compensation Plan, could result at any time in:
    - A. the aggregate number of Common Shares reserved for issuance to Insiders exceeding 10% of the Outstanding Shares;
    - B. the aggregate number of Common Shares reserved for issuance to Insiders within any 12-month period exceeding 10% of the Outstanding Shares; or
    - C. the aggregate number of Common Shares reserved issuance to any one individual Participant or Service Provider, within any 12-month period, exceeding 5% of the Outstanding Shares;
  - (ii) any reduction in the Exercise Price of an Option, or extension to the Expiry Date of an Option held by an Insider at the time of the proposed amendment, is subject to disinterested shareholder approval in accordance with the policies of the TSX Venture; and
- (k) Amendments as reduce, and do not increase, the benefits of the Option Plan to Service Providers any reduction in the Exercise Price of an Option, or extension to the Expiry Date of an Option, held by an Insider at the time of the proposed amendment is subject to disinterested shareholder approval in accordance with the policies of the TSXV.

The Option Plan also allows for option holders to exercise options on a "Cashless Exercise" or "Net Exercise" basis, as now expressly permitted by TSX Venture Exchange new Policy 4.4. "Cashless Exercise" is a method of exercising stock options in which a securities dealer loans funds to the option holder or sells the same shares as those underlying the option, prior to or in conjunction with the exercise of options, to allow the option holder to fund the exercise of some or all of their options. "Net Exercise" is a method of option exercise under which the option holder does not make any payment to the issuer for the exercise of their options and receives on exercise a number of shares equal to the intrinsic value (current market price less the exercise price) of the option valued at the current market price. Under TSX Venture Policy 4.4, the current market price must be the 5-day volume weighted average trading price prior to option exercise. "Net Exercise" may not be utilized by persons performing investor relations services.

Pursuant to section 4.4. of the Option Plan, in the event of a Cashless Exercise or Net Exercise, the number of Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Company, must be included in calculating the limits set forth in the Option Plan.

## **B. Fixed Restricted Share Unit Plan (Share-Based Awards)**

At the Company's annual general and special meeting held on October 16, 2023, shareholders of the Company approved the Company's fixed restricted share unit plan dated for reference July 1, 2019 as amended on April 24, 2020, August 18, 2022 and further amended and dated August 31, 2023 (the "**RSU Plan**").

A copy of the RSU Plan is attached as Schedule D to the Information Circular to the Company's October 16, 2023 annual general and special meeting.

**Capitalized terms used below are not defined below and shall have the meanings ascribed thereto in the RSU Plan.**

The RSU Plan is designed to provide certain directors, officers, employees, consultants and advisors of the Company and its related entities with the opportunity to acquire restricted stock units ("**RSUs**") of the Company in order to enable them to participate in the long-term success of the Company. The purpose of the RSU Plan is to further promote a greater alignment of the interests of directors, officers, employees and consultants of the Company with the interests of the Shareholders. The Board (or such other committee the Board may appoint) is responsible for administering the RSU Plan.

RSUs will vest on terms established by the Board, or any Board committee appointed for such purpose and in accordance with Section 4.6 of TSX Venture Exchange Policy 4.4 – *Security Based Compensation*.

The following is a summary of the RSU Plan. Capitalized terms used but not defined in this section of this Form shall have the meanings ascribed thereto in the RSU Plan.

### ***Benefits of the RSU Plan***

The RSU Plan is designed to be a long-term incentive for the directors, officers, employees, consultants and advisors of the Company. RSUs provide the Board (or a Board committee) with an additional compensation tool that can be used to help retain and attract highly qualified directors, officers and employees and further align the interests of directors, officers, employees and consultants of the Company with the interest of the Shareholders. It is intended to promote a greater alignment of interests between the Shareholders of the Company and the directors, officers, employees and consultants of the Company by providing an opportunity to participate in any increases to the value of the Company.

The Board may engage such consultants and advisors as it considers appropriate, including compensation or human resources consultants or advisors, to provide advice and assistance in determining the amounts to be paid under this Plan and other amounts and values to be determined hereunder or in respect of this Plan including, without limitation, those related to a particular Fair Market Value.

Under definition **Fair Market Value**, contains the method of calculation of the applicable Vesting Date Value and Award Payment.

### ***Nature and Administration of the RSU Plan***

All Directors, Officers, Employees, Consultants and Advisors (as defined in the RSU Plan) of the Company and its related entities ("**Eligible Persons**") are eligible to participate in the RSU Plan (as "**RSU Plan Recipients**"), though the Company reserves the right to restrict eligibility or otherwise limit the number of persons eligible for participation in the RSU Plan at any time. Eligibility to participate in the RSU Plan does not confer upon any person a right to receive an award of RSUs.

Subject to certain restrictions, the Board (or a Committee delegated by the Board), may, from time to time, award RSUs to Eligible Persons. All RSUs awarded will be credited to an account maintained for each RSU Plan Recipient on the books of the Company as of each award date. The number of RSUs to be credited to each RSU Plan Recipient's account shall be determined at the discretion of the Board and pursuant to the terms of the RSU Plan.

Each award of RSUs vests on the date(s) (each a “**Vesting Date**”) that is the later of the Trigger Date (defined below) and the date upon which the relevant performance condition or other vesting condition set out in the award has been satisfied, subject to the requirements of the RSU Plan. Rights and obligations under the RSU Plan can be assigned by the Company to a successor in the business of the Company, any company resulting from any amalgamation, reorganization, combination, merger or arrangement of the Company, or any Company acquiring all or substantially all of the assets or business of the Company.

### ***Shares Reserved***

The RSU Plan allows the Company to grant RSUs, under and subject to the terms and conditions of the RSU Plan, which may be exercised to purchase up to a fixed maximum number Common Shares.

The RSU Plan provides that the aggregate number of Shares available for issuance from treasury under this Plan, shall be 1,516,749 Shares. Any Share subject to a Restricted Share Unit, which has been cancelled or terminated in accordance with the terms of this Plan without being paid out as provided for under the Plan, shall again be available under this Plan. In the event the number of Shares subject to Restricted Share Units exceeds the maximum number of Shares 1,516,749 available for issuance under this Plan, no further Unit Awards may be granted.

### ***Limitations on Restricted Share Units to any One Person and to Insiders***

Notwithstanding any other provision of the RSU Plan, but subject to RSU grants approved by the disinterested shareholders of the Company or other requirements of applicable Stock Exchange policies, the RSU Plan includes the following restrictions on issuance:

- a) the maximum number of Common Shares which may be reserved for issuance to Insiders (as a group) under the RSU Plan together with any other Share Compensation Arrangement (as defined in the RSU Plan), may not exceed 10% of the number of issued Common Shares;
- b) the maximum number of RSUs that may be granted to Insiders (as a group) under the RSU Plan together with any other Share Compensation Arrangement, within a 12-month period, may not exceed 10% of the number of issued Common Shares calculated on the Grant Date;
- c) the maximum number of RSUs that may be granted to any one Eligible Person under the RSU Plan, together with any other Share Compensation Arrangement, within a 12-month period, may not exceed 5% of the number of Common Shares calculated on the Grant Date;
- d) the maximum number of Shares which may be reserved for issuance to any one Eligible Person under the Plan, at any time, in any 12-month period, in the aggregate, may not exceed 2% of the total number of issued Shares; and
- e) if the Company is listed on the Stock Exchange, no grant of Restricted Share Units may be made to any person providing Investor Relations Activities to the Company.

The respective limits set out above may be exceeded: (a) if the Common Shares are listed for trading on the TSXV, on a case-by-case basis, upon the approval of disinterested shareholders of the Company; or (b) if the Shares are not listed for trading on the TSXV, in accordance with the applicable Stock Exchange policies.

### ***Limitation on Issuance of Shares to Insiders***

Notwithstanding anything in the RSU Plan, the Company shall not issue Common Shares under the RSU Plan to any Eligible Person who is an Insider of the Company where such issuance would result in:

- a) the total number of Common Shares issuable at any time under the RSU Plan to Insiders, or when combined with all other Shares issuable to Insiders under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Company on a non-diluted basis; and
- b) the total number of Shares that may be issued to Insiders during any one year period under the RSU Plan, or when combined with all other Common Shares issued to Insiders under any other equity compensation arrangements

then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Company on a non-diluted basis.

### ***Credits for Dividends***

An Eligible Person's Account shall be credited with additional RSUs as of each dividend payment date in respect of which cash dividends are paid on Shares. The number of additional RSUs to be credited to an Eligible Person's Account. Any RSUs granted under the terms of this Plan, shall be subject to the terms of this Plan, including the limitations set out in this Plan. Any grants of RSUs that would result in exceeding any of the limits set out in this Plan shall be paid in cash.

### ***Extension of Restricted Share Units Expiring during Blackout Period***

Should the Expiry Date for a Restricted Share Unit fall within a Blackout Period, such Expiry Date shall be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Restricted Share Unit for all purposes under the Plan, provided that such automatic extension of the Expiry Date for a Restricted Share Unit will not apply where the Eligible Person or the Company is subject to a cease trade order (or similar order under securities laws) in respect of the Company's securities.

### ***Cancellation on Termination for Cause***

Unless the Board at any time otherwise determines, all unvested RSUs held by any Recipient and all rights in respect thereof will be automatically cancelled, without further act or formality and without compensation, immediately in the event of a Termination arising from the termination of employment or removal from service by the Company or a Related Entity for cause.

For greater certainty, if a contrary determination is made at the time of the grant of the Unit Award by the Board as to vesting following termination, notwithstanding such authority of the Board, any unvested Unit Awards must vest not later than twelve (12) months following the date of termination.

### ***Retirement, Total Disability and Termination without Cause***

Generally, if an RSU Plan Recipient ceases to be an Eligible Person for any of the following reasons, unvested Restricted Share Units held by any Recipient and all rights respect thereof will be automatically cancelled, without further act or formality and without compensation on the date the Recipient ceases to be an Eligible Person:

- Retirement of a Recipient;
- Total Disability of a Recipient; and
- the Termination of employment or removal from service by the Company or a Related Entity without cause.

The number of Common Shares available for reserve under the RSU Plan is a fixed number. Any Share subject to a Restricted Share Unit, which has been cancelled or terminated in accordance with the terms of the Plan without being paid out as provided for in the RSU Plan, shall again be available under the Plan.

### ***Death***

If a Recipient ceases to be an Eligible Person due to death, unvested Restricted Share Units will immediately vest on the date the Recipient dies.

### ***Change of Control***

In the event of a Change of Control (as defined in the RSU Plan), all RSUs credited to an RSU Plan Recipient vest on the date on which the Change of Control occurs. Within thirty (30) days after the date on which the Change of Control Occurs, the RSU Plan Recipient must receive a cash payment equal to (a) the number of Restricted Share Units that vested on the Change of Control Date; multiplied by (b) the Fair Market Value on the Change of Control Date, net of any withholding taxes and other source deducted required by law to be withheld by the Company.

Any adjustment, other than in connection with a security consolidation or security split, to Security Based Compensation granted or issued under a Security Based Compensation Plan must be subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

***Tax Matters and Applicable Withholding Tax***

Applicable Withholding Tax shall comply with TSXV Policy 4.4.

***Payment of Shares and Hold Periods***

Under the RSU Plan, the Company, in its discretion and as may be determined by the Board, will pay out vested RSU's by paying or issuing (net of any applicable withholding taxes) to a RSU Plan Recipient, on or subsequent to the Trigger Date and before the Expiry Date (as defined in the Plan) an award payout of either:

- (a) one Common Share for each whole vested RSU; and
- (b) a cash amount equal the fair market value of one Common Share (as determined in accordance with the RSU Plan) as at the Trigger Date (the "Vesting Date Value") of each whole vested RSU.

Fractional Common Shares will not be issued pursuant to the RSU Plan, and where a RSU Plan Recipient would be entitled to receive a fractional Common Share in respect of a fractional vested RSU, the Company shall pay to such RSU Plan Recipient, in lieu of such fractional Common Share, cash value equal to the Vesting Date Value of such fractional Common Share.

As soon as practicable after vesting of Restricted Share Units the Company will pay out vested Restricted Share Units by issuing Shares (the "Award Payout Shares") as contemplated in this Plan, and will direct its transfer agent to issue to the Eligible Person the appropriate number of Shares. Whenever required under TSX Venture Policies, the Exchange Hold Period will be applied from the date of grant of the Restricted Share Units for all Shares issued to:

- (a) Insiders, Promoters or Consultants of the Company; or
- (b) persons holding securities carrying more than 10% of the voting rights attached to the Company's securities immediately after the transaction in which the securities are issued, and who have elected or appointed or have the right to elect or appoint one or more directors or senior officers of the Company; or
- (c) any Eligible Person, including Insiders those noted in (a) and (b) above, where the Award Payout Price is set at a discount to the Fair Market Value.

Where the Exchange Hold Period is applicable, the certificate representing the Award Payout Shares, or written notice in the case of uncertificated Shares, will include a legend stipulating that the Award Payout Shares issued are subject to a four-month hold period.

***Amendment, Suspension or Termination to RSU Plan***

- (a) the Board shall have the power to, at any time and from time to time, and without shareholder approval, amend this RSU Plan or any Unit Award under this RSU Plan to fix typographical errors or to clarify existing provisions of this RSU Plan that do not have the effect of altering the scope, nature and intent of such provisions;
- (b) subject to TSX Venture approval, the Committee may from time to time amend or suspend this Plan in whole or in part and may at any time terminate this Plan without prior notice. However, any such amendment, suspension or termination shall not adversely affect the RSUs previously granted to an Eligible Person at the time of such amendment, suspension or termination, without the consent of the affected Eligible Person;

- (c) if the Committee suspends or terminates this Plan, no new RSUs will be credited to the account of an Eligible Person; however, previously credited RSUs shall remain outstanding but shall not be entitled to dividend credits following suspension or termination unless at the time of suspension or termination the Committee determines that the entitlement to dividend credits during suspension or after termination, as applicable, should be continued;
- (d) the Committee shall not require the consent of any affected Eligible Person in connection with a termination of this Plan in which the vesting of all RSUs held by the Eligible Person are accelerated in accordance with the terms of this Plan and the Payment Amount (less Applicable Withholding Amount) is paid to the Eligible Person in respect of all such RSUs;
- (e) other than set out in (a) to (d) above, any amendments to the Plan shall be subject to the Exchange approval and shareholders approval, including:
  - (i) persons eligible to be granted or issued RSUs under the Plan;
  - (ii) the number or percentage issued and outstanding Shares available for grant under this Plan;
  - (iii) the limits under the Plan on the amount of RSUs that may be granted to any one person or any category of person;
  - (iv) a change in the method of calculation of redemption of RSUs held by Eligible Persons;
  - (v) the maximum term of RSUs; and
  - (vi) an extension to the term for redemption of RSUs held by Eligible Persons;
- (f) if the outstanding Shares of the Company are increased or decreased through a stock split, consolidation, normal course issuer bid or substantial issuer bid, subject to TSX Venture approval, the number of issued and outstanding Shares available for grant under the Plan will be adjusted accordingly such that the number of Shares available for grant under the Plan shall equal to 10% of the issued and outstanding Shares following the completion of such stock split, consolidation, normal course issuer bid or substantial issuer bid;
- (g) the Plan will terminate on the date upon which no further RSUs remain outstanding, provided that such termination is confirmed by a resolution of the Committee.

### ***Adjustments***

In the event of any dividend paid in shares, share subdivision, combination or exchange of shares, merger, consolidation, spin-off or other distribution of Company assets to shareholders, or any other change in the capital of the Company affecting Shares, the Board, in its sole and absolute discretion, will make, with respect to the number of Restricted Share Units outstanding under this Plan, any proportionate adjustments as it considers appropriate to reflect that change.

### ***Vesting***

The Board has the discretion to grant RSUs to Eligible Persons as the Board determines is appropriate, and can impose conditions on vesting as it sees fit in addition to the Performance Conditions (as defined in the RSU Plan). If any RSUs vest on the date that is the later of (a) the date set by the Board at the time of the grant or if no date is set then December 1 of the third calendar year following the date of the grant (the “**Trigger Date**”), and (b) the date upon which the relevant Performance Condition or other vesting condition has been satisfied, subject to the limitations of the RSU Plan.

RSUs only vest on the Trigger Date to the extent that the Performance Conditions have been satisfied on or before the Trigger Date, and no RSU will remain outstanding for any period which exceeds the expiry date (which shall be December 31 of the third calendar year after the date of grant, or such earlier date as may be established by the Board (the “**Expiry Date**”).

The Board may accelerate the Trigger Date of any RSU at its election.

No Restricted Share Unit Award may vest before the first anniversary of the grant date of such Restricted Share Unit Award, provided that acceleration of vesting may be expressly permitted by this RSU Plan for an Eligible Person who dies or who ceases to be an Eligible Person under this RSU Plan in connection with a change of control, take-over bid, RTO (as defined in TSXV Policy 1.1) or similar transaction.

### Stock Options and Other Compensation Securities

#### Outstanding Compensation Securities

The following table discloses all compensation securities outstanding to each NEO of the Company and to a director who was not an NEO of the Company, or a subsidiary of the Company during financial year ended September 30, 2023, and September 30, 2022 for services provided or to be provided, directly or indirectly, to the Company, or a subsidiary of the Company.

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, underlying securities and percentage of class <sup>(1)</sup> (#)	Date of Grant or Issue (mm/dd/yy)	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 (mm/dd/yy)
Kal Malhi CEO and Director	Options	700,000 Options (56%)	September 01, 2022	0.31	0.31	0.89	September 01, 2025
	RSUs	700,000 RSUs (51%)	October 19, 2022	N/A	0.415	0.89	Vesting Date: October 19, 2024
	RSUs	580,000 RSUs (69%)	May 25, 2023	N/A	0.79	0.89	Vesting Date: May 25, 2024
Zara Kanji CFO	Options	55,000 Options (4%)	September 01, 2022	0.31	0.31	0.89	September 01, 2025
	RSUs	75,000 RSUs (5%)	October 19, 2022	N/A	0.415	0.89	Vesting Date: October 19, 2024
Christopher R. Cooper Director	Options	Nil Options (0%)	September 01, 2022	0.31	0.31	0.89	September 01, 2025
	RSUs	75,000 RSUs (5%)	October 19, 2022	N/A	0.415	0.89	Vesting Date: October 19, 2024
	RSUs	25,000 RSUs (3%)	May 25, 2023	N/A	0.79	0.89	Vesting Date: May 25, 2024
Bala Pratap Reddy Udumala Director	Options	200,000 Options (16%)	September 01, 2022	0.31	0.31	0.89	September 01, 2025
	RSUs	75,000 (5%)	October 19, 2022	N/A	0.415	0.89	Vesting Date: October 19, 2024
	RSUs	25,000 RSUs (3%)	May 25, 2023	N/A	0.79	0.89	Vesting Date: May 25, 2024

Note:

<sup>(1)</sup> Percentage of class represents % of compensation securities granted over the total number of compensation securities of the Company outstanding as of September 30, 2023.

### Exercise of Compensation Securities by NEOs and Directors

The following table discloses option exercises by an NEO or a director of the Company who was not an NEO during financial year ended September 30, 2023. There were no compensation securities exercised by any of the NEOs or directors who were not NEOs of the Company during financial year ended September 30, 2022.

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 (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Christopher R. Cooper Director	Stock Options	250,000	\$0.31	2028.08.23	\$1.01	\$0.70	\$252,500
Zara Kanji CFO	Stock Options	150,000	\$0.31	2028.08.22	\$0.98	\$0.67	\$93,350

### External Management Companies

None of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly. The NEOs or directors of the Company have provided their services through their own companies, independent of any external arrangements or agreements with the Company.

### Employment, Consulting and Management Agreements

Management of the Company is performed by the directors and officers of the Company and not by any other person.

There are no plans in place with respect to compensation of the Named Executive Officers in the event of a termination of employment without cause or upon the occurrence of a change of control.

### Oversight and Description of Director and NEO Compensation

The Company's board of directors (the "**Board**") has established a compensation committee (the "**Compensation Committee**") whose mandate is to assist the Board in the review and approval of executive compensation matters. The Compensation Committee is responsible for (1) reviewing and recommending to the Board the compensation of the Executive Chairman, Chief Executive Officer and senior management members of the Company, including salary, short term and long term incentives and other direct and indirect benefits; (2) reviewing the compensation of directors; (3) overseeing the administration of the Company's compensation plans; and (4) approving the employment contracts of the Executive Chairman, Chief Executive Officer and senior management members. Final approval of all compensation matters relating to the Executive Chairman, Chief Executive Officer and senior management members of the Company rests with the full Board.

When determining compensation, and evaluating the competitiveness of the Company's compensation program, the Company periodically obtains industry reports and general compensation surveys conducted by independent consultants which provide comparative information. The Compensation Committee also reviews the compensation practices and levels of executive compensation for other peer group companies (as determined by the Compensation Committee). The Compensation Committee reviews this comparative data, in conjunction with its own review of the Company's performance and executive performance, and thereafter recommends to the Board the compensation package payable to the Company's executive officers for the Board's review and approval.

The Compensation Committee does not set specific performance objectives in assessing the performance of the Executive Chairman, Chief Executive Officer and the Chief Financial Officer; rather the Compensation Committee uses its experience and judgment in determining an overall compensation package for such executive officers.

Compensation awards to senior management of the Company has been determined by senior management of the Company. The Board periodically reviews the mandate of all committees including the Compensation Committee.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

#### Philosophy and Objectives

Compensation for senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, which are:

- to attract and retain qualified and effective executives;
- to motivate the short and long-term performance of these executives; and
- to align their interests with those of the Company's shareholders.

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its stock option plan and restricted share unit plan.

#### Base Salary

In the Board's view, paying base salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on companies earning comparable revenues in a similar industry has been reviewed and compared over a variety of sources.

#### Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's stock option plan and restricted share unit plan. Stock options and restricted share units are granted to senior executives and employees taking into account a number of factors, including the amount and term of options or restricted share units previously granted, base salary and bonuses and competitive factors.

#### **Compensation Review Process**

##### Base Salary or Consulting Fees

In the Board's view, paying base salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on companies earning comparable revenues in a similar industry has been reviewed and compared over a variety of sources.

##### Benefits and Perquisites

In general, the Company will provide a specific benefit or perquisite only when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. Limited perquisites the Company provides its executives may include a parking allowance or a fee for each Board or Audit Committee meeting attended, to assist with their out-of-pocket expenses.

**Pension Disclosure**

The Company has no pension plan arrangements or benefits with respect to any of its NEOs, directors or employees.