

COLOURED TIES CAPITAL INC.
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Form 51-102F6V

*Statement of Executive Compensation – Venture Issuers
(for financial year ended September 30, 2024)*

GENERAL

The following information, dated March 28, 2025, is provided as required under Form 51-102F6V for Venture Issuers (the “**Form**”), as such term is defined in National Instrument 51-102.

For the purposes of this Form:

“**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, 2024, based on the definition above, the NEOs of the Company were: Kulwant Malhi, Chairman, Chief Executive Officer and Director, and Zara Kanji, Chief Financial Officer and Corporate Secretary. The Directors of the Company who were not NEO’s during financial year ended September 30, 2024 were: Desmond M. Balakrishnan, Christopher R. Cooper and Bala Pratap Reddy Udumala.

Bala Pratap Reddy Udumala resigned as a Director of the Company on September 30, 2024.

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.

**Table of Compensation, Excluding Compensation Securities
for financial years ended September 30, 2024 and September 30, 2023**

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, 2024 and September 30, 2023. 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 ⁽¹⁾ Chairman, CEO and Director	2024	252,000	227,033	--	--	-	479,033
	2023	252,750	393,927	--	--	-	646,677
Zara Kanji ⁽²⁾ CFO and Corporate Secretary	2024	64,050	--	--	--	86,875 ⁽⁷⁾	150,925
	2023	63,000	--	--	--	78,658 ⁽⁷⁾	141,658
Bala Pratap Reddy Udumala ⁽³⁾ Director	2024	24,000	2,000	--	--	--	26,000
	2023	31,000	--	--	--	--	31,000
Christopher R. Cooper ⁽⁴⁾ Director	2024	37,800	2,000	3,150	--	--	42,950
	2023	32,550	--	3,150	--	--	35,700
Desmond M. Balakrishnan ⁽⁵⁾ Director	2024	--	--	--	--	134,859 ⁽⁶⁾	134,859
	2023	--	--	--	--	271,571 ⁽⁶⁾	271,571

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 served as a Director of the Company from March 8, 2019 to September 30, 2024.
- (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 was a partner.
- (7) Accounting fees paid to a Firm (Zara Kanji & Associates, CPA) where the CFO is a principal.

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)

The Company has a share option plan dated for reference August 18, 2022, and last amended on 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 December 6, 2024 annual general 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.

Any defined terms used in this Section but not defined has the meaning ascribed thereto in 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 this 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 aggregate number of Common Shares that may be issuable to any one Participant (and where permitted pursuant to the policies of the TSX Venture, any company that is wholly-owned by the Participant) pursuant to all Security Based Compensation of the Company granted or issued within any this Plan Participant under the Option Plan, together with any other security based compensation arrangements, within a twelve (12) month period, together with any other security based compensation arrangements, may not exceed 5% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;
 - (ii) the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 10% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;
 - (iii) the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company, together with any other security based compensation arrangements, may not exceed 10% of the Outstanding Shares at any point in time;
 - (iv) the maximum aggregate number of Common Shares that may be issuable to any Consultant of the Company pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period, together with any other security based compensation arrangements, may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation; and
 - (v) the maximum aggregate number of Common Shares that may be issuable to all Investor Relations Service Providers pursuant to Options granted or issued within any twelve (12) month period may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Options and Investor Relations Service Providers may not receive any Security Based Compensation other than Options.

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 (as set out below). 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.

- (a) 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;
- (b) 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;
- (c) 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;
- (d) 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;
- (e) 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;
- (f) All options granted shall be evidenced by written option agreements;
- (g) 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 issuable pursuant to Security Based Compensation to Insiders (as a group) exceeding 10% of the Outstanding Share at any time;

- B. the aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12-month period to Insiders (as a group) exceeding 10% of the Outstanding Shares calculated at the date of grant or issue; or
 - C. the aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12-month period to any one Participant exceeding 5% of the Outstanding Shares calculated at the date of grant or issue; or
- (h) any reduction in the Exercise Price or the extension of the term of an Option held by an Insider or any other amendment to an Option that results in a benefit to an Insider.

The Option Plan also allows for option holders to exercise options on a “Cashless Exercise” or “Net Exercise” basis, as now expressly permitted by the updated TSX Venture Policy 4.4 – *Security Based Compensation* (“**Policy 4.4**”). “Cashless Exercise” is a method of exercising stock options in which a broker is instructed to sell the Common Shares otherwise deliverable upon exercise of the Options and to deliver to the Optionee an amount equal to the Exercise Price and all applicable required withholding obligations against delivery of the Common Shares to settle the applicable trade. “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 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)

The Company has a fixed restricted share unit plan dated for reference July 1, 2019 and last amended on October 21, 2024 (the “**RSU Plan**”).

A copy of the RSU Plan is attached as Schedule D to the Information Circular to the Company’s December 6, 2024 annual general meeting.

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 Policy 4.4.

The following is a summary of the RSU Plan.

Capitalized terms used but not defined 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 the RSU Plan and other amounts and values to be determined hereunder or in respect of the RSU Plan including, without limitation, those related to a particular Fair Market Value.

The method of calculating the applicable Vesting Date Value and Award Payment is specified in the RSU Plan.

Nature and Administration of the RSU Plan

All Directors, Officers, Employees, Consultants and Advisors 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 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 the RSU Plan, shall be 1,615,249 Shares. Any Share subject to an RSU, which has been cancelled or terminated in accordance with the terms of the RSU Plan, without being paid out as provided for in Part 3, shall again be available under the RSU Plan. In the event the number of Shares subject to RSUs exceeds the maximum number of Shares available for issuance under the RSU Plan, no further Unit Awards may be granted.

Limitations

The following limits apply to this RSU Plan:

- (a) the maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation of the Company granted or issued in any 12-month period to any one Eligible Consultant shall not exceed 2% of the total number of issued and outstanding Shares of the Company on a non-diluted basis, calculated as at the date any Security Based Compensation is granted or issued to such Eligible Consultant;

- (b) unless the Company has obtained the requisite Disinterested Shareholder approval,
 - (i) the maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12-month period to any one person shall not exceed 5% of the total number of issued and outstanding Shares of the Company on a non-diluted basis, calculated as at the date any Security Based Compensation is granted or issued to such person;
 - (ii) the maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation granted or issued to Insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares of the Company on a non-diluted basis at any point in time; and
 - (iii) the maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12-month period to Insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares of the Company on a non-diluted basis, calculated as at the date any Security Based Compensation is granted or issued to any Insider; and
- (c) Unit Awards may not be granted under this RSU Plan to persons retained to provide Investor Relations Activities.

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.

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 shall be computed by dividing:

- (a) the dividends that would have been paid to such Eligible Person if each RSU in the Eligible Person's Account on the relevant dividend record date had been one Share, by
- (b) the Fair Market Value of the Share determined as of the date of payment of such dividend. Any fractional RSUs resulting from such calculation shall be rounded to the nearest whole number. For greater certainty, a fractional entitlement that is equal to or greater than 0.5 shall be rounded up to the next greater whole number and a fractional entitlement that is less than 0.5 shall be rounded down to the next lesser whole number. Any such additional RSUs credited to the Eligible Person's Account shall vest in proportion to and shall be paid in the same manner as the RSUs to which they relate. The foregoing does not obligate the Company to pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

Any RSUs granted under 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 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 this 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

If a 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 this Plan without being paid out as provided for in the RSU Plan, shall again be available under this 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, all Restricted Share Units credited to an account of a Recipient that have not otherwise previously been cancelled pursuant to the terms of this Plan shall vest on the date on which the Change of Control occurs (the "Change of Control Date"). Within thirty (30) days after the Change of Control Date, but in no event later than the Expiry Date, the Recipient shall receive a cash payment equal in amount 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 deductions 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

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:

- (i) Insiders, Promoters or Consultants of the Company; or
- (ii) 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
- (iii) any Eligible Person, including 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 this Plan shall be subject to the Exchange approval and shareholders approval, including:
 - (i) persons eligible to be granted or issued RSUs under this Plan;
 - (ii) the number or percentage issued and outstanding Shares available for grant under this Plan;
 - (iii) the limits under this Plan on the amount of RSUs that may be granted to any one person or any category of person;

- (iv) 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 this Plan will be adjusted accordingly such that the number of Shares available for grant under this 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) this 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 and Reorganizations

In the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Company or other distribution of the Company's assets to shareholders (other than the payment of dividends in respect of the Shares as contemplated by §3.9), the Committee may choose to adjust the Account of each Eligible Person and the RSUs outstanding under this Plan in such manner, if any, as the Committee may in its discretion deem appropriate (taking into account any tax consequences to the extent considered relevant by the Committee) to preserve the Account of each Eligible Person and the RSUs outstanding under this Plan shall be adjusted in such manner, if any, as the Committee may in its discretion deem appropriate to preserve, proportionally, the interests of Eligible Persons under this Plan. For greater certainty and notwithstanding any other provision of this Plan, in no event shall an Eligible Person be or become entitled to receive any amount of cash from 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 TSXV, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

Vesting

- (1) Except as provided in this Plan, Restricted Share Units under this Plan will vest on the date (the "**Vesting Date**") that is the later of
- (a) the Trigger Date; and
 - (b) the date upon which the relevant Performance Condition or other vesting condition set out in the Award has been satisfied,

provided that:

- (c) Restricted Share Units shall only vest on the Trigger Date to the extent that the Performance Conditions or other vesting conditions set out in an Award have been satisfied on or before the Trigger Date;
- (d) if the date in Section §3.5(1)(a) or §3.5(1)(b) occurs during a Blackout Period, the Vesting Date shall be extended to a date which is the earlier of: (i) one Business Day following the end of such Blackout Period; and (ii) the Expiry Date;
- (e) no Restricted Share Unit will remain outstanding for any period which exceeds the Expiry Date of such Restricted Share Unit; and

- (f) the authority of the Board in respect of vesting of Unit Awards under this Plan is subject to Section 4.6 of Policy 4.4 whereby no Unit Award may vest before the first anniversary of the grant date of such 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, 2024 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 ⁽¹⁾ (#)	Date of Grant or Issue	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
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

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, underlying securities and percentage of class ⁽¹⁾ (#)	Date of Grant or Issue	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
Bala Pratap Reddy Udumala ⁽²⁾ former Director	Options	200,000 Options (16%)	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

Notes:

⁽¹⁾ Percentage of class represents % of compensation securities granted over the total number of compensation securities of the Company outstanding as of September 30, 2024.

⁽²⁾ Bala Pratap Reddy Udumala resigned as a director of the Company on September 30, 2024. Mr. Udumala's outstanding Options expired without having been exercised and Mr. Udumala's outstanding RSUs did not vest.

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, 2024.

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	95,000	\$0.31	2028.08.22	\$0.98	\$0.67	\$93,100

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.