



**NOTICE OF ANNUAL GENERAL MEETING AND MANAGEMENT INFORMATION CIRCULAR**  
with respect to the Annual General Meeting of Shareholders to be held on September 10, 2021

Dated as of August 6, 2021

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## NOTICE OF ANNUAL GENERAL MEETING OF THE SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the "**Meeting**") of the shareholders of Legend Power Systems Inc. ("**Legend**" or the "**Corporation**") will be held as a virtual shareholders' meeting via teleconference, dial in number (877) 201-0168 on Friday, September 10, 2021 at 10:00 AM (Pacific) for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Corporation for the year ended September 30, 2020 and the report of the auditors thereon. Refer to "Particulars of Matters to be Acted Upon – Financial Statements" set forth in the accompanying management information circular (the "**Information Circular**");
2. to fix the number of directors of the Corporation to be elected at the Meeting;
3. to elect the directors of the Corporation for the ensuing year;
4. to appoint the auditors of the Corporation for the ensuing year and to authorize the directors of the Corporation to determine the remuneration to be paid to the auditors;
5. to consider and, if deemed advisable, pass an ordinary resolution, ratifying, adopting and re-approving the stock option plan of the Corporation and authorizing the Corporation's board of directors to make any amendments thereto that may be required for the purpose of obtaining the approval of applicable securities regulatory authorities or stock exchanges; and
6. to transact such other business as may properly come before the Meeting.

Refer to "Particulars of Matters to be Acted Upon" set forth in the accompanying Information Circular for more information on the above matters.

Registered shareholders are requested to complete, date, sign and return the accompanying form of proxy so that as large a representation as possible may be had at the Meeting. Beneficial shareholders (being shareholders who hold their securities through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) wishing to be represented by proxy at the Meeting or any adjournment or postponement thereof must deposit his/her/its duly completed and executed form of proxy with the Corporation's registrar and transfer agent, Computershare Investor Services Inc. ("**Computershare**") (Attention: Proxy Department) at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting, or adjournment or postponements thereof at which the proxy is to be used.

As a shareholder of the Corporation, it is very important that you read the Information Circular and other Meeting materials carefully. They contain important information with respect to voting your securities for the Meeting.

Given the significant uncertainty relating to the coronavirus ("**COVID-19**") pandemic, its public health impact and the associated current restrictions on and the risk in attending large group gatherings, the Corporation has made arrangements to hold the Meeting as a completely virtual meeting, which will be conducted via teleconference, where all shareholders regardless of geographic location and equity ownership will have an equal opportunity to attend the Meeting. Shareholders will not be able to attend the Meeting in person due to COVID-19 and are encouraged to vote their shares prior to the Meeting.

Only shareholders of record as at the close of business on August 6, 2021 will be entitled to receive notice of the Meeting.

**DATED** at Vancouver, British Columbia as of August 6, 2021.

**ON BEHALF OF THE BOARD OF DIRECTORS**

*/s/ "Randy Buchamer"*

Randy G. Buchamer  
President and Chief Executive Officer

# LEGEND POWER SYSTEMS INC.

## Management Information Circular and Proxy Statement

Unless otherwise stated, information contained herein is given as of August 6, 2021. All references to dollar amounts herein are references to Canadian dollars unless otherwise indicated.

### INFORMATION REGARDING PROXIES AND VOTING AT THE MEETING

#### Solicitation of Proxies

This management information circular (the "**Information Circular**") is furnished in connection with the solicitation by the management of Legend Power Systems Inc. ("**Legend**" or the "**Corporation**") of proxies to be voted at the annual general meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (each a "**Common Shares**") of the Corporation to be held via teleconference, dial in number (877) 201-0168, on Friday, September 10, 2021 at 10:00 AM (Pacific), for the purposes set forth in the notice of annual general meeting (the "**Notice**") accompanying this Information Circular.

It is anticipated that the Notice, Information Circular, form of proxy and request for voting instructions will be first mailed to shareholders on or about August 16, 2021. Unless otherwise stated, the information contained in this Information Circular is given as at August 6, 2021.

The Corporation is sending proxy-related materials directly to non-objecting beneficial owners pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"). The Corporation does not intend to pay for intermediaries to forward to objecting beneficial owners under NI 54-101 the proxy-related materials and Form 54-107 *Request for Voting Instructions Made by Intermediary*. In the case of an objecting beneficial owner, the objecting beneficial owner will not receive the materials unless the objecting beneficial owner's intermediary assumes the cost of delivery.

The head office of the Corporation is located at 1480 Frances Street, Vancouver, BC, V5L 1Y9 and its telephone number is (866) 772-8797. The registered and records office of the Corporation is located at 40440 Thunderbird Ridge B1831, Garibaldi Highlands, BC, V0N 1T0.

The solicitation of proxies by management of the Corporation will be made primarily by mail but solicitation may be made by telephone, internet, facsimile or oral communication with the cost of such solicitation to be borne by the Corporation. **While no arrangements have been made to date, the Corporation may contract for the solicitation of proxies for the Meeting. Such arrangements would include customary fees which would be borne by the Corporation.**

#### Appointment of Proxyholders

Accompanying this Information Circular is an instrument of proxy for use at the Meeting. Shareholders who are unable to attend the Meeting and wish to be represented by proxy are required to date and sign the enclosed instrument of proxy and return it in the enclosed return envelope. **All properly executed instruments of proxy for Shareholders must be mailed so as to reach or be deposited at the offices of Computershare (Attention: Proxy Department) at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time set for the Meeting or any adjournment thereof.** An instrument of proxy may also be voted using a touchtone telephone at 1-866-732-VOTE (8683). Alternatively, a registered shareholder can complete internet voting by logging on at [www.investorvote.com](http://www.investorvote.com) and entering the CONTROL NUMBER located on the address box of the Shareholder's instrument of proxy.

The persons designated in the instrument of proxy are officers and directors of the Corporation. **A Shareholder has the right to appoint a person (who need not be a Shareholder) other than the persons designated in the accompanying instrument of proxy, to attend at and represent the Shareholder at the Meeting.** To exercise this right, a Shareholder should insert the name of the designated representative in the blank space provided on the

instrument of proxy and strike out the names of management's nominees. Alternatively, a Shareholder may complete another appropriate instrument of proxy.

### **Signing of Proxy**

The instrument of proxy must be signed by the Shareholder or the Shareholder's duly appointed attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney of the Corporation. An instrument of proxy signed by a person acting as attorney or in some other representative capacity (including a representative of a corporate Shareholder) should indicate that person's capacity (following his or her signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has previously been filed with the Corporation).

### **Revocability of Proxies**

A Shareholder who has submitted an instrument of proxy may revoke it at any time prior to the exercise thereof. In addition to any manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his or her duly authorized attorney or, if the Shareholder is a corporation, under its corporate seal or executed by a duly authorized officer or attorney of the corporation and deposited either: (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournments thereof, at which the instrument of proxy is to be used; or (ii) with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof. In addition, an instrument of proxy may be revoked: (i) by the Shareholder attending the Meeting and voting the securities represented thereby or, if the Shareholder is a corporation, by a duly authorized representative of the corporation attending at the Meeting and voting such securities; or (ii) in any other manner permitted by law.

### **Voting of Proxies and Exercise of Discretion by Proxyholders**

All Common Shares represented at the Meeting by properly executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy, the Common Shares represented by the instrument of proxy will be voted in accordance with such instructions. The management designees named in the accompanying instrument of proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholder appointing him or her on any ballot that may be called for at the Meeting. **In the absence of such direction, such Common Shares will be voted "FOR" the proposed resolutions at the Meetings. The accompanying instrument of proxy confers discretionary authority upon the persons named therein with respect to amendments of or variations to the matters identified in the accompanying Notice and with respect to other matters that may properly be brought before the Meeting.** In the event that amendments or variations to matters identified in the Notice are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the management designees to vote in accordance with their best judgment on such matters or business. At the time of printing this Information Circular, the management of the Corporation knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the accompanying Notice.

### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED ON**

Except as disclosed in this Information Circular, none of the directors or senior officers of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on, other than the election of directors.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

### Voting Shares, Record Date and Principal Shareholders

As at the date of this Information Circular, the authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value. The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting is August 6, 2021 (the "**Record Date**"). As at the Record Date, there were 117,542,303 Common Shares issued and outstanding as fully paid and non-assessable, each carrying the right to one vote.

To the knowledge of the directors and executive officers of the Corporation, no one beneficial owner or person exercised control or direction over Common Shares carrying more than 10% of the outstanding voting rights as of the Record Date.

### Common Shares

The holders of Common Shares are entitled to notice of and to vote at all annual general meetings of shareholders (except meetings at which only holders of a specified class or series of shares are entitled to vote) and are entitled to one vote per Common Share. The holders of Common Shares are entitled to receive such dividends as the board of directors of the Corporation (the "**Board of Directors**" or the "**Board**") declares and, upon liquidation, to receive such assets of the Corporation as are distributable to holders of Common Shares.

### Voting of Common Shares – General

Only Shareholders whose names are entered in the Corporation's register of shareholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent that: (i) a registered Shareholder has transferred the ownership of any Common Shares subsequent to the Record Date; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares and demands, not later than ten days before the Meeting, that his or her name be included on the Shareholder list before the Meeting, in which case the transferee shall be entitled to vote his or her Common Shares at the Meeting.

### Voting of Common Shares – Advice to Non-Registered Holders

Only registered holders of Common Shares, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Common Shares beneficially owned by a holder (a "**Non-Registered Holder**") are registered either:

- a) In the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Common Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or
- b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or "**CDS**").

In accordance with the requirements of NI 54-101 of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice, Information Circular and the instrument of proxy (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward meeting materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Typically, Intermediaries will use a service corporation (such as Broadridge Financial Solutions, Inc. ("**Broadridge**")) to forward meeting materials to Non-Registered Holders.

Generally, Non-Registered Holders who have not waived the right to receive meeting materials will:

- a) Have received as part of the Meeting Materials a voting instruction form which must be completed, signed and delivered by the Non-Registered Holder in accordance with the directions on the voting instruction form; voting instruction forms sent by Broadridge permit the completion of the voting instruction form by telephone or through Internet based voting procedures; or
- b) less typically, be given a proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with Computershare at the address referred to above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Holder wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies.**

Only registered Shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary revoke their proxy in accordance with the revocation procedures set above.

#### **Voting of Common Shares – Advice to US Beneficial Shareholders**

If you are a beneficial shareholder located in the United States and wish to vote at the Meeting, in addition to the steps described above, you must obtain a valid legal proxy from your intermediary. Follow the instructions from your intermediary included with the legal proxy form and the voting information form sent to you or contact your intermediary to request a legal proxy form or a legal proxy if you have not received one. After obtaining a valid legal proxy from your intermediary, you must then submit such legal proxy to Computershare. Requests for registration from beneficial shareholders located in the United States that wish to vote at the Meeting must be received by 10:00 AM (Pacific) on September 8, 2021.

#### **STATEMENT OF EXECUTIVE COMPENSATION**

In accordance with the requirements of National Instrument 51-102 *Continuous Disclosure Obligations*, the Canadian Securities Administrators have issued guidelines on executive compensation disclosure for venture issuers as set out in Form 51-102F6V. The objective of the disclosure is to communicate the compensation the Corporation paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial year, and the decision-making process relating to compensation. The disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Corporation and will help Shareholders understand how decisions about executive compensation are made. The Corporation's approach to executive compensation is set forth below.

## Director and Named Executive Officer Compensation

Executive compensation is required to be disclosed for each (i) Chief Executive Officer (or individual who served in a similar capacity during the most recently completed financial year), (ii) each Chief Financial Officer (or individual who served in a similar capacity during the most recently completed financial year), (iii) the most highly compensated executive officer (other than the Chief Executive Officer and the Chief Financial Officer) who were serving as executive officers at the end of the most recently completed fiscal year whose total compensation was, individually, more than \$150,000; and (iv) each individual who would meet the definition set forth in (iii) 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 that financial year (the "Named Executive Officers" or "NEO's").

## Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all compensation paid or accrued, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation or any subsidiary thereof, to each Named Executive Officer and director of the Corporation, for each of the two most recently completed financial years ended September 30, 2020 and 2019.

Table of compensation excluding compensation securities							
Name and position <sup>(1)</sup>	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$) <sup>(2)</sup>	Value of all other compensation (\$) <sup>(3)</sup>	Total compensation (\$)
ATKINSON, Michael <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	18,750	Nil	Nil	Nil	Nil	18,750
BLUNDELL, James <sup>(4)</sup> <i>Former Director</i>	2020	-	-	-	-	-	-
	2019	11,806	Nil	Nil	Nil	Nil	11,806
BUCHAMER, Randy <i>President, CEO and Director</i>	2020	237,750	Nil	Nil	Nil	Nil	237,750
	2019	243,750	Nil	Nil	Nil	Nil	243,750
GUEBERT, David <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	18,750	Nil	Nil	Nil	Nil	18,750
LANSKY, Jonathan <sup>(5)</sup> <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	-	-	-	-	-	-
LA PORTA, Cosimo <i>Chairman of the Board of Directors</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	18,750	Nil	Nil	Nil	Nil	18,750
WALKER, Matthew <sup>(6)</sup> <i>Former Director</i>	2020	-	-	-	-	-	-
	2019	9,444	Nil	Nil	Nil	Nil	9,444
VANRY, Steve <i>CFO, COO and Corporate Secretary</i>	2020	175,750	Nil	Nil	Nil	Nil	175,750
	2019	191,146	Nil	Nil	Nil	Nil	191,146

### Notes:

1. If an individual is an NEO and a director, both positions have been listed.

2. Includes perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are greater than (a) \$15,000, if the NEO or director's total compensation for the financial year is \$150,000 or less; (b) 10% of the NEO or director's compensation for the financial year, if the NEO or director's total compensation for the financial year is greater than \$150,000 but less than \$500,000; (c) \$50,000, if the NEO or director's total for the financial year is \$500,000 or greater.
3. No form of other compensation paid or payable equals or exceeds 25% of the total value of other compensation paid or payable to the director or Named Executive Officer. Any other compensation listed is for a car allowance and/or taxable health insurance benefit.
4. Mr. Blundell ceased to be a director of the Corporation on June 20, 2019.
5. Mr. Lansky was appointed a director of the Corporation on October 8, 2019.
6. Mr. Walker ceased to be a director of the Corporation on June 20, 2019.

### External Management Companies

Please refer to "Employment, Consulting and Management Agreements" below for disclosure relating to any external management company employing, or retaining individuals, acting as Named Executive Officers of the Corporation, or that provide the Corporation's executive management services and allocate compensation paid to any Name Executive Officer or director.

### Stock Options and Other Compensation Securities

The following table sets forth all compensation securities granted or issued by the Corporation, or any subsidiary thereof, to each director and Named Executive Officer, in the most recently completed financial year ended September 30, 2020, for services provided or to be provided, directly or indirectly, to the Corporation or any subsidiary thereof.

Compensation Securities							
Name and position	Type of Compensation security <sup>(4)</sup>	Number of compensation securities <sup>(3)</sup> , number of underlying securities <sup>(1)</sup> , and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$) <sup>(2)</sup>	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
ATKINSON, Michael <i>Director</i>	Stock Options	235,000	Oct. 15/19	\$0.30	\$0.17	\$0.35	Oct. 15/24
GUEBERT, David <i>Director</i>	Stock Options	100,000	Oct. 15/19	\$0.30	\$0.17	\$0.35	Oct. 15/24
LANSKY, Jonathan <i>Director</i>	Stock Options	300,000	Oct. 15/19	\$0.30	\$0.17	\$0.35	Oct. 15/24
LAPORTA, Cosimo <i>Chairman of the Board of Directors</i>	Stock Options	100,000	Oct. 15/19	\$0.30	\$0.17	\$0.35	Oct. 15/24

#### Notes:

1. Each compensation security is exercisable into one Common Share.
2. No compensation security has been re-priced, cancelled or replaced, has had its term extended, or has otherwise been materially modified, in the most recently completed financial year.

3. The compensation securities are subject to vesting provisions, with 1/6 vesting 6 months from date of grant and 1/6 vesting every 6 months thereafter for a total of 36 months.
4. All compensation securities issued to directors and NEO's are subject to a four-month resale restriction expiring four months and one day from the date of issuance.

The following table sets forth each exercise by a director or Named Executive Officer of compensation securities during the recently completed financial year ended September 30, 2020.

<b>Exercise of Compensation Securities by Directors and NEOs</b>							
<b>Name and position</b>	<b>Type of compensation security</b>	<b>Number of underlying securities exercised</b>	<b>Exercise price per security (\$)</b>	<b>Date of exercise</b>	<b>Closing price per security on date of exercise (\$)</b>	<b>Difference between exercise price and closing price on date of exercise (\$)</b>	<b>Total value on exercise date<sup>(1)</sup> (\$)</b>
BLUNDELL, James <sup>(2)</sup> <i>Former Director</i>	Stock Options	50,000	\$0.25	June 19, 2020	\$0.38	\$0.13	\$6,500
	Stock Options	120,000	\$0.27	June 19, 2020	\$0.38	\$0.11	\$13,200

**Notes:**

1. For the purposes of this column, the number in the column entitled "Number of underlying securities exercised" is multiply by the number in the column entitled "Difference between exercise price and closing price on date of exercise".
2. Mr. Blundell ceased to be a director of the Corporation on June 20, 2019.

**Stock Option Plans and Other Incentive Plans**

The following is a summary of the Corporation's stock option plan (the "Option Plan") which is the only incentive plan in place available to the Named Executive Officers and Directors.

- The number of Common Shares to be reserved and authorized for issuance pursuant to options granted under the Option Plan shall not exceed ten percent (10%) of the total number of issued and outstanding shares in the Corporation.
- Under the Option Plan, the aggregate number of optioned Common Shares granted to any one director or Named Executive Officer, together with all other Common Share compensation arrangements, must not exceed 5% of the Corporation's issued and outstanding shares in any 12 month period, unless the Corporation has obtained disinterested shareholder approval.
- The exercise price for options granted under the Option Plan will be set by the Board of Directors at such time as the option is allocated under the Option Plan and cannot be less than the discounted market price permitted by the policies of the TSX Venture Exchange.
- Options can be exercisable for a maximum of 10 years, subject to earlier termination in the event of the optionee's death or the cessation of the optionee's services to the Corporation.
- Options granted under the Option Plan will not be assignable or transferable, except in the case of the death of an optionee, any vested option held by such individual at the date of death will become exercisable by the optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such optionee and the date of expiration of the term otherwise applicable to such option.

## **Employment, Consulting and Management Agreements**

The following is a summary of the Corporation's employment, consulting and management agreements with its directors and Named Executive Officers during the most recently completed financial year.

### ***Compensation of Mr. Randy Buchamer, President and Chief Executive Officer***

The Corporation entered into an executive employment agreement on September 12, 2017 which was amended January 1, 2019 (the "**Buchamer Agreement**"), and replaced the original employment agreement dated October 1, 2010, with Mr. Randy Buchamer, pursuant to which Mr. Buchamer provides his services to the Corporation as President and Chief Executive Officer. Pursuant to the Buchamer Agreement, Mr. Buchamer receives an annual salary of \$250,000, a monthly car allowance of \$800, payment of admission or membership fees in associations that benefit the Corporation, participation in the Option Plan, and benefits comparable to those provided by the Corporation from time to time to other senior executives of the Corporation. The Corporation may terminate the Buchamer Agreement for just cause or death without notice or any payment in lieu thereof. The Corporation may terminate the Buchamer Agreement without cause by delivery of written notice and a lump sum payment equal to 12 months plus one month for each completed year of consecutive service up to a maximum of 24 months. Mr. Buchamer may terminate the Buchamer Agreement by delivery of 1 months' written notice of termination to the Corporation, in which event the Corporation may then elect to terminate the Buchamer Agreement at any time prior to the expiry of the 1-month notice period without further compensation. If the Corporation undergoes a change of control and within 3 years of the change of control occurring, the Buchamer Agreement may be terminated by delivery of 10 days written notice and a lump sum payment equal to 200% of Mr. Buchamer's then current annual salary.

### ***Compensation of Mr. Steve Vanry, Chief Financial Officer***

The Corporation entered into a management services agreement with Mr. Steve Vanry, through his management services company 677185 B.C. Ltd. ("**677185**"), on December 17, 2018 (the "**677185 Agreement**"), pursuant to which Mr. Vanry, through 677185, provides his services to the Corporation as Chief Financial Officer. Pursuant to the 677185 Agreement, 677185 receives an annual fee of \$185,000, reimbursement for payment of admission or membership fees in associations that benefit the Corporation, participation in the Option Plan for Mr. Vanry, and benefits for Mr. Vanry comparable to those provided by the Corporation from time to time to other senior executives of the Corporation. The Corporation may terminate the 677185 Agreement for cause without any payment in lieu of notice. The Corporation may terminate the 677185 Agreement without cause by delivery of written notice and a lump sum payment equal to 100% of the then current annual fee payable on or before the tenth business day following the date of termination stipulated in the notice. 677185 may terminate the 677185 Agreement by delivery of 2 months' written notice of termination to the Corporation, in which event the Corporation may then elect to terminate the 677185 Agreement at any time prior to the expiry of the 2-month notice period without further compensation. If the Corporation undergoes a change of control and the 677185 Agreement is terminated within 365 days of the change of control occurring, 677185 is entitled to a lump sum payment equal to 100% of the then current annual fee.

## **Oversight and Description of Director and Named Executive Officer Compensation**

### **Director Compensation**

Subject to availability of funds and the Corporation's revenue, the Corporation may pay its independent directors a cash fee of \$20,000 per year. In addition, the Chair of each of the Board, Audit Committee, Nominating, Compensation and Governance Committee, may each receive a cash fee of \$5,000 per year. The independent directors are also eligible for equity-based compensation on an annual basis, in accordance with the policies of the Option Plan and applicable securities regulatory authorities and stock exchanges. The issuance of any independent

director compensation is upon recommendation by the Nominating, Compensation and Governance Committee and approval of the Board and is determined on an annual basis following the Corporation's annual general meeting.

### **Named Executive Officer Compensation**

The Nominating, Compensation and Governance Committee assists the Board of Directors in discharging its responsibilities with respect to identifying individuals qualified to become new board members; setting director and senior executive compensation; and assessing and making recommendations to the Board regarding certain compensation related and governance matters as delegated by the Board of Directors.

The objective of the Board of Directors in setting compensation levels is to attract and retain individuals of high caliber to serve the Corporation, to motivate their performance in order to achieve the Corporation's strategic objectives and to align the interests of the Named Executive Officers with the long-term interests of the Shareholders. These objectives are designed to ensure that the Corporation's business continues to grow and develop.

The Board of Directors sets the compensation received by the Named Executive Officers so as to be generally competitive with the compensation received by persons with similar qualifications and responsibilities who are engaged by other companies of corresponding size and stage of development, having similar assets, number of employees and market capitalization; the peer group the Corporation uses to determine compensation consists of Eguana Technologies Inc., Electrovaya Inc., Greenland Renewables Inc., Kraken Robotics Inc., and UGE International Ltd.

The Corporation compensates its Named Executive Officers based on their skill and experience levels and the existing stage of development of the Corporation. Named Executive Officers are rewarded on the basis of the skill and level of responsibility involved in their position, the individual's experience and qualifications, the Corporation's resources, industry practice, and regulatory guidelines regarding executive compensation levels.

The Board of Directors has implemented three levels of compensation to align the interests of the executive officers with those of the shareholders. First, Named Executive Officers are paid a monthly consulting fee or salary determined by the Board of Directors, if appropriate; second, the Board of Directors awards Named Executive Officers long term incentives in the form of stock options if appropriate. Finally and only in special circumstances, the Board of Directors may award cash or share bonuses for exceptional performance that results in a significant increase in shareholder value, the Corporation determines the amount to be paid for each significant element of compensation, based on objective, identifiable measures or upon a subjective decision by the independent members of the Board.

The base compensation of the Named Executive Officers is reviewed and set annually by the Board of Directors. The Chief Executive Officer has substantial input in setting annual compensation levels. The Chief Executive Officer is directly responsible for the financial resources and operations of the Corporation. In addition, the Chief Executive Officer and Board of Directors from time to time determine the stock option grants to be made pursuant to the Option Plan. Previous grants of stock options are taken into account when considering new grants. The Board of Directors awards bonuses at its sole discretion. The Board of Directors has not set any performance criteria or objectives.

The Board of Directors considers the implications of the risks associated with the Corporation's compensation policies and practices when determining rewards for its Named Executive Officers and ensures that those policies do not encourage management to take inappropriate or excessive risks. The Board of Directors does not believe that there are any risks arising from the compensation programs that would be reasonably likely to have a material adverse effect on the Corporation.

Neither Named Executive Officers nor directors are permitted to take any derivative or speculative positions in the Corporation's securities. This is to prevent the purchase of financial instruments that are designed to hedge or offset any decrease in the market value of the Corporation's securities.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Corporation's financial resources and prospects.

#### **Pension Disclosure**

The Corporation does not have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement of its directors or Named Executive Officers.

#### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets out information as at the end of the Corporation's most recently completed financial year ended September 30, 2020 with respect to the Option Plan, which is the only compensation plan under which equity securities of the Corporation are authorized for issuance.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
<b>Equity compensation plans approved by securityholders</b>	6,993,333	\$0.32	3,191,697 <sup>(1)</sup>
<b>Equity compensation plans not approved by securityholders</b>	-	-	-
<b>Total</b>	6,993,333	\$0.32	3,191,697 <sup>(1)</sup>

#### **Notes:**

1. The Option Plan provides that the aggregate number of securities reserved for issuance under the Option Plan may not exceed 10% of the issued and outstanding shares of the Corporation at the time of granting of options. As at the Record Date, there were 117,542,303 Common Shares issued and outstanding and 8,206,480 outstanding options, with the result that 3,547,750 options were available to the Corporation to be granted.

#### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the directors and officers of the Corporation, any proposed management nominee for election as a director of the Corporation or any associate of any director, officer or proposed management nominee is or has been indebted to the Corporation at any time during the last completed financial year.

#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as disclosed in this Information Circular, to the knowledge of management of the Corporation, none of the informed persons of the Corporation (as defined in National Instrument 51-102), nor any proposed nominee for election as a director of the Corporation, nor any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to the issued shares of the Corporation, nor any associate or affiliate of

the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which, in either case, has or will materially affect the Corporation and none of such persons has any material interest in any transaction proposed to be undertaken by the Corporation that will materially affect the Corporation.

## **CORPORATE GOVERNANCE**

In accordance with the requirements of National Instrument 58-101 *Disclosure of Corporate Governance Practices* the Canadian Securities Administrators have issued guidelines on corporate governance disclosure for venture issuers as set out in Form 58-101F2. The disclosure addresses matters relating to constitution and independence of directors, the functions to be performed by the directors of a corporation, their committees and effectiveness and evaluation of proposed corporate governance guidelines and best practices. The Corporation's approach to corporate governance is set forth below.

### **Nominating, Compensation and Governance Committee**

The purpose of the Nominating, Compensation and Governance Committee is to assist the Board of Directors in discharging its responsibilities with respect to identifying individuals qualified to become new board members; setting director and senior executive compensation; and assessing and making recommendations to the Board of Directors regarding certain compensation related and governance matters as delegated by the Board of Directors.

### **Board of Directors**

In determining whether a director is independent, the Corporation primarily considers whether the director has a relationship which could or could be perceived to interfere with the director's exercise of independent judgement. For the purposes of this disclosure, a director is independent if he or she would be independent within the meaning of section 1.4 of National Instrument 52-110 *Audit Committees*.

The following table sets forth the nominees for appointment to the Board, their independence or non-independence and the basis for that determination:

<b>Name</b>	<b>Independent</b>	<b>Basis for Determination of Independence <sup>(1)</sup></b>
ATKINSON, Michael	Yes	No material relationship
BUCHAMER, Randy	No	Material relationship - President and Chief Executive Officer
GUEBERT, David	Yes	No material relationship
LANSKY, Jonathan	Yes	No material relationship
LA PORTA, Cosimo	Yes	No material relationship

#### **Notes:**

1. Individuals who are, or have been within the last three years, an employee or executive officer of the Corporation, are considered to have or have had, a material relationship with the Corporation, therefore these individuals do not satisfy the meaning of independence as set forth in section 1.4 of National Instrument 52-110 *Audit Committees*.

### **Directorships in Other Reporting Issuers**

Certain current and proposed directors of the Corporation are also directors of other reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction as set forth in the following table:

Name	Name of Reporting Issuers <sup>(1)</sup>
ATKINSON, Michael	Knol Resources Corp. Watusi Capital Corp.
BUCHAMER, Randy	-
GUEBERT, David	Discover Wellness Solutions Inc. Qusitive Technology Solutions Inc.
LANSKY, Jonathan	-
LA PORTA, Cosimo	-

**Note:**

1. The information is not within the knowledge of the management of Legend and has been taken from the System for Electronic Disclosure by Insiders (SEDI) or furnished by the respective nominees as of August 6, 2021.

**Orientation and Continuing Education**

The Corporation has not developed an official orientation or training program for new directors, but they are encouraged to communicate with other directors, officers and employees as needed. New directors will have the opportunity to become familiar with the Corporation with full access to records, meeting with legal counsel, the auditors and various technical consultants. Orientation activities are tailored to the needs and expertise of each director and the overall needs of the Board. The Corporation does not have a formal program of continuing education for its directors but encourages its directors to attend continuing education seminars at the Corporation's expense, subject to prior approval by management of the Corporation. The Corporation also liaises with its legal counsel, auditors and other advisors to keep apprised of any developments and material changes to corporate governance and reporting policies affecting the Corporation and makes the directors aware of any such developments and changes.

**Ethical Business Conduct**

The Board encourages, monitors and promotes a culture of ethical business conduct of the Corporation and ensures that the Board complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

The Corporation does not currently have a formal code of business conduct or policy in place for its directors, officers, employees and consultants.

**Nomination of Directors**

When there is a need to fill a position on the Board, either due to a vacancy or as required to carry out the Board's duties effectively and maintain a breadth of experience, the Nominating, Compensation and Governance Committee assists the current directors with identifying individuals qualified to become new Board members and potential candidates for consideration.

**Compensation**

The Nominating, Compensation and Governance Committee reviews the compensation payable to the Named Executive Officers on an annual basis, or periodically if needed, and makes recommendations to the Board of Directors. The Board has the ability to adjust and approve such compensation.

The following table sets forth the members of the Nominating, Compensation and Governance Committee as of the Record Date, their independence or non-independence and the basis for that determination:

Name	Independent <sup>(1)</sup>
ATKINSON, Michael - Chairman	Yes
GUEBERT, David	Yes
LANSKY, Jonathan	Yes
LA PORTA, Cosimo	Yes

**Note:**

1. Individuals who are, or have been within the last three years, an employee or executive officer of the Corporation, are considered to have or have had, a material relationship with the Corporation, therefore these individuals do not satisfy the meaning of independence as set forth in section 1.4 of National Instrument 52-110 *Audit Committees*.

Market comparisons, as well as evaluation of similar positions in different industries in the same geography, along with individuals experience and the diversity such individual brings to the Corporation’s Board, are the criteria used in determining compensation.

**Other Board Committees**

The Board does not currently have any committees other than the Audit Committee and Nominating, Compensation and Governance Committee.

**Assessments**

The Board takes responsibility for monitoring and assessing its effectiveness and the performance of individual directors, its Audit Committee and its Nominating, Compensation and Governance Committee, including reviewing the Board’s decision-making processes and the quality of information provided by management.

**Diversity and Inclusion**

The Corporation has not adopted a written policy relating to the identification and nomination of directors or members of senior management that are women, Indigenous peoples (First Nations, Inuit and Metis), persons with disabilities or members of visible minorities (collectively, "**Designated Groups**"). The Board generally identifies, evaluates and recommends candidates to become members of the Board or members of senior management with the goal of creating a Board and members of senior management team that, as a whole, consists of individuals with various and relevant career experience, industry knowledge and experience, technical, legal, financial, geographic and other specialized expertise.

The composition of the Board and senior management is primarily a question of experience and expertise brought by each individual. The Board, when searching for candidates, also takes diversity into account. Although the Board does not have a formal diversity policy, it considers diversity in its broadest sense when evaluating candidates, including persons diverse in gender, ethnicity, experience, and background. The Board considers all factors it deems relevant in the process of identifying, evaluating, and recommending candidates for the Board and senior management and does not have a formal requirement to consider the level of representation of individuals from Designated Groups.

Of the Corporation’s current directors, none (0%) are women and none (0%) identify as being an Indigenous person, disabled or a member of a visible minority. Of the Corporation’s current members of senior management, none (0%) are women and none (0%) identify as being an Indigenous person, disabled or a member of a visible minority.

## AUDIT COMMITTEE

In accordance with the requirements of National Instrument 52-110 *Audit Committees*, the Canadian Securities Administrators have issued guidelines on annual disclosure for venture issuers, as set out in Form 52-110F2, concerning the constitution of the Corporation's Audit Committee and the relationship with its independent auditors. The Corporation's approach to its Audit Committee is set forth below.

### Audit Committee Charter

The Charter of the Corporation's Audit Committee is attached to this Information Circular as Schedule "A".

### Composition of the Audit Committee

The following table sets forth the members of the Audit Committee as of the Record Date, their independence or non-independence and the basis for that determination, and whether or not they are financially literate:

Name	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
ATKINSON, Michael	Yes	Yes
BUCHAMER, Randy	No	Yes
GUEBERT, David - Chairman	Yes	Yes
LANSKY, Jonathan	Yes	Yes
LA PORTA, Cosimo	Yes	Yes

#### Notes:

1. Individuals who are, or have been within the last three years, an employee or executive officer of the Corporation, are considered to have or have had, a material relationship with the Corporation, therefore these individuals do not satisfy the meaning of independence as set forth in section 1.4 of National Instrument 52-110 *Audit Committees*.
2. Individuals are financially literate if they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

### Relevant Education and Experience

Each member of the Audit Committee brings unique education and experience relevant to the performance of their responsibilities and duties as an Audit Committee member. This includes, but is not limited to, an understanding of the accounting principles used by the Corporation to prepare its financial statements; the ability to assess the general application of accounting principles in connection with the accounting for estimates, accruals and provisions; experience preparing, auditing, analyzing or evaluating financial statements covering a breadth and level of complexity relative to the Corporation or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

The following sets forth the relevant education and experience of the members of the Audit Committee:

Name	Education	Experience
ATKINSON, Michael	B.A. (Administrative & Commercial Studies)(1995; University of Western Ontario)	Current and former director and officer of, and investor in, various publicly traded companies during the course of which he has reviewed and analyzed numerous financial statements.
BUCHAMER, Randy	1994/95 Condensed Executive MBA	30 years experience in senior executive finance and operational roles including Director of Operations of \$6.5B conglomerate.
GUEBERT, Dave	CPA-CA (Alberta); CPA (Pennsylvania); B.Comm (1979; University of Saskatchewan); ICD.D (Institute of Corporate Directors 2019)	Current and former director and chief financial officer of, and investor in, various private and publicly traded companies during the course of which he has prepared, reviewed and analyzed numerous financial statements and chaired several audit committees.
LANSKY, Jonathan	Honours BBA from Wilfrid Laurier University, 1993; CA (Ontario) 1995; CFA 2000	25 years of capital markets experience advising and investing with CIBC, First Marathon and Dundee
LA PORTA, Cosimo	Bachelor of Arts Degree in Political Science (Major), History and Business Administration (Minor) from Simon Fraser University	Veteran of the Starbucks Coffee Company, having served 18-years in several senior executive operations roles, most recently as Executive Vice President, US Retail Business.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on:

- (a) The exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*);
- (b) the exemption in Subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
- (c) the exemption in Subsection 6.1.1(5) (*Events Outside Control of Member*);
- (d) the exemption in Subsection 6.1.1(6) (*Death, Incapacity or Resignation*); or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemption*).

## Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services as described below under the heading "External Auditor Service Fees (By Category)"; however, the Audit Committee pre-approves all non-audit services provided by the External Auditor, as described in the mandate of the Audit Committee.

## External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for audit, audit-related, tax and all other fees are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2020	\$100,000	Nil	\$12,800	Nil
2019	\$98,000	Nil	\$12,000	\$10,000

## Exemption

As a "venture issuer", the Corporation is relying on the exemption provided in Section 6.1 of NI 52-110.

## MANAGEMENT CONTRACTS

Other than as set forth in this Information Circular, at no time since the start of the Corporation's most recently completed financial year were any management functions of the Corporation or any subsidiary of the Corporation to any substantial degree performed by a person or company other than the directors or executive officers of the Corporation.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### FINANCIAL STATEMENTS

The audited consolidated financial statements of the Corporation for the year ended September 30, 2020 and the auditors' report thereon, which can be accessed at [www.sedar.com](http://www.sedar.com), will be placed before the Shareholders at the Meeting for their consideration. Shareholders who wish to receive annual and interim financial statements are encouraged to send the enclosed notice, in the addressed envelope to Computershare. No formal action will be taken at the Meeting to approve the financial statements, which have been approved by the Board of Directors of the Corporation in accordance with applicable corporate and securities legislation. Any questions regarding the financial statements may be brought forward at the Meeting.

### ELECTION OF DIRECTORS

#### **Advance Notice**

The Corporation's Articles provide for advance notice (the "**Advance Notice**") to the Corporation in circumstances where nominations of persons for election to the Board of Directors are made by Shareholders of the Corporation other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (British Columbia) or (ii) a shareholder proposal made pursuant to the provisions of the *Business Corporations Act* (British Columbia).

The purpose of the Advance Notice is to ensure that all Shareholders - including those participating in a meeting by proxy rather than in person - receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. Among other things, the Advance Notice fixes a deadline by which holders of Common Shares must submit director nominations to the Corporation prior to any annual or

special meeting of Shareholders and sets forth the minimum information that a Shareholder must include in the notice to the Corporation for the notice to be in proper written form.

The foregoing is merely a summary of the Advance Notice provisions in the Corporation's Articles, is not comprehensive and is qualified by the full text of such Articles which are available under the Corporation's SEDAR profile at [www.sedar.com](http://www.sedar.com).

As of the date of the Information Circular, the Corporation has not received notice of a nomination in compliance with the Advance Notice.

### Fixing the Number of Directors

At the Meeting, the Shareholders will be asked to fix the number of directors of the Corporation to be elected at 5 members. Approval of the number of directors will require the affirmative votes of the holders of not less than a simple majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. Unless otherwise directed, the management designees named in the accompanying instrument of proxy intend to vote in favour of fixing the number of directors at 5.

### Nominees

The persons named below are the nominees of management for election as directors. The term of office of each of the present directors expires at the Meeting. Management of the Corporation proposes to nominate the persons named below for election as directors of the Corporation at the Meeting, to serve until the next annual meeting of the Shareholders of the Corporation, unless their office is earlier vacated. All of the nominees are currently members of the Board of Directors of the Corporation.

Approval of the election of directors will require the affirmative votes of the holders of not less than a simple majority of the votes cast in respect thereof by Shareholders represented at the Meeting. **Unless otherwise directed, the management designees named in the accompanying instrument of proxy intend to vote in favour of the election, as directors, of the nominees whose names are set forth below.** In the event that prior to the Meeting, any vacancies occur on the slate of nominees submitted herewith, it is intended that discretionary authority will be granted to vote proxies solicited by or on behalf of management for the election of any other person or persons as directors. Management is not currently aware that any such nominees would not be willing to serve as director if elected.

The following information concerning the proposed nominees has been furnished by each of them:

Name, Province or State and Country of Residence	Principal Occupation or Employment <sup>(1)</sup>	Director Since	Term of Office <sup>(2)</sup>	Number of Common Shares Beneficially Owned or Controlled and percentage of total issued and outstanding <sup>(3)</sup>
ATKINSON, Michael <sup>(4)(5)(6)</sup> British Columbia, Canada	President and CEO of Earlston Investments Corp.	November 2, 2010	N/A	5,361,310 4.56%
BUCHAMER, Randy <sup>(5)</sup> British Columbia, Canada	President and CEO of Legend; Entrepreneur and Leadership Coach	November 4, 2010	N/A	2,353,858 2.00%

Name, Province or State and Country of Residence	Principal Occupation or Employment <sup>(1)</sup>	Director Since	Term of Office <sup>(2)</sup>	Number of Common Shares Beneficially Owned or Controlled and percentage of total issued and outstanding <sup>(3)</sup>
GUEBERT, David <sup>(4)(5)(6)</sup> Alberta, Canada	CFO of Mind Medicine (MindMed) Inc. since March 2020; CFO of Clarocity Corporation from 2016 to 2019; CFO Mount Logan Capital Inc. from 2008 to 2019	February 10, 2016	N/A	644,300 0.55%
LANSKY, Jonathan <sup>(4)(5)(6)</sup> British Columbia, Canada	Independent Investor	October 8, 2019	N/A	7,726,350 6.57%
LA PORTA, Cosimo <sup>(4)(5)(6)</sup> British Columbia, Canada	Principal of La Porta Ventures	April 9, 2018	N/A	600,000 0.51%

**Notes:**

1. Includes occupations for preceding five years unless the director was elected at the previous Annual General Meeting and was shown as a nominee for election as a director in the management information circular for that meeting.
2. The Corporation does not have set terms of office for directors; rather, all directors who are elected hold office until the next annual general meeting of the Corporation.
3. The information, as of the Record Date, as to the number of Common Shares, carrying the right to vote in all circumstances, beneficially owned, directly or indirectly, or over which control or direction is exercised, has been furnished by the respective nominees. These figures do not include any securities that are convertible into or exercisable for Common Shares. No director, together with that director's associates and affiliates beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the Common Shares.
4. Independent Director.
5. Member of the Audit Committee.
6. Member of the Nominating, Compensation and Governance Committee.

**Corporate Cease Trade Orders**

Other than as set forth below, no director or proposed director of the Corporation is, or has been within the past ten years, a director, chief executive officer or chief financial officer of any other corporation that, while such person was acting in that capacity:

- (i) Was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the corporation access to any exemptions under securities legislation, and that was in effect for a period of more than 30 consecutive days; or
- (ii) was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the corporation access to any exemptions under securities legislation, that was issued after that individual ceased to be a director or chief executive officer or chief financial officer and which resulted from an event that occurred while such person was acting in a capacity as a director, chief executive officer or chief financial officer.

Mr. David D. Guebert was the Chief Financial Officer and Vice-President Finance of Times Three Wireless Inc. ("**Times Three**") from May 2004 to June 2015. On May 6, 2014, the Alberta Securities Commission issued a cease trade order

against Times Three for failing to file required annual financial statements and related management's discussion and analysis and officer certifications. Similar orders were issued by the British Columbia Securities Commission on May 8, 2014, the Manitoba Securities Commission on May 14, 2014, the Ontario Securities Commission on May 26, 2014 and the Quebec Autorité des Marchés Financiers on May 26, 2014. None of the orders have been rescinded. On June 23, 2015, the Court of Queen's Bench of Alberta issued a bankruptcy order adjudging Times Three to be bankrupt.

Mr. Guebert was the Chief Financial Officer of Clarocity Inc. ("**Clarocity**") from September 2016 to April 2019. On May 6, 2019, the Alberta Securities Commission issued a cease trade order against Clarocity for failing to file required annual financial statements and related MD&A. Similar orders were issued by other commissions. None of the orders have been rescinded. On June 11, 2019, the Court of Queen's Bench of Alberta appointed a receiver and on July 19, 2019 the Court of Queen's Bench approved the sale of substantially all assets in settlement of claims from secured creditors.

On May 2, 2019, at the request of Bolt Metals Corp. ("**Bolt**"), of which Mr. Steve Vanry is a director and CFO, Bolt was granted a temporary Management Cease Trade Order ("**MCTO**") from the British Columbia Securities Commission ("**BCSC**") in connection with Bolt's filing of its audited annual financial statements and management's discussion and analysis for the financial year ended December 31, 2018 (the "**Bolt Annual Report**") and its unaudited interim financial statements and management's discussion and analysis for the financial year ended March 31, 2019 (the "**Bolt Q1 Report**"). On June 27, 2019 Bolt announced that the Bolt Annual Report and the Bolt Q1 Report had been filed, the MCTO was subsequently lifted on July 2, 2019.

### ***Corporate Bankruptcies***

Other than as set forth above, no director or proposed director of the Corporation is, or has been within the past ten years, a director or executive officer of any other corporation that, while such person was acting in that capacity, or within a year of that individual ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

### ***Individual Bankruptcies***

No director or proposed director of the Corporation is or has, within the ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

### ***Penalties or Sanctions***

No director or proposed director of the Corporation has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or have entered into a settlement agreement with a securities regulatory authority. No director or proposed director of the Corporation has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### ***Conflicts of Interest***

The directors and officers of the Corporation may, from time to time, be involved with the business and operations of other mining issuers, in which case a conflict of interest may arise between their duties as officers and directors of the Corporation and as officer and directors of such other companies. Such conflicts must be disclosed in accordance with, and are subject to such procedures and remedies, as applicable, under the *Business Corporations Act* (British Columbia).

## APPOINTMENT OF AUDITORS

Unless otherwise directed, management designees named in the accompanying instrument of proxy intend to vote in favor of the appointment of MNP LLP, Chartered Professional Accountants, as auditors of the Corporation, to hold office until the close of the next annual meeting, at a remuneration to be determined by the Board of Directors of the Corporation. Approval of the appointment of the auditors will require the affirmative votes of the holders of not less than a simple majority of the votes cast in respect thereof by Shareholders present in person or represented by proxy at the Meeting. **Unless instructed otherwise, the management designees in the accompanying Instrument of Proxy intend to vote FOR the resolution.** MNP LLP were appointed auditors for the Corporation on August 26, 2019.

## RATIFICATION AND RE-APPROVAL OF STOCK OPTION PLAN

Pursuant to Policy 4.4 of the TSXV, corporations that have a rolling stock option plan reserving a maximum of 10% of the issued and outstanding shares of the corporation must receive yearly shareholder approval of the Option Plan. For a summary of the Option Plan, please refer to the section within this Information Circular entitled "Stock Option Plans and Other Incentive Plans" or refer to Schedule "B" hereto where the text of the Option Plan is attached in its entirety. The Option Plan was previously approved by the Corporation's shareholders at the annual general meeting held September 10, 2020.

The approval by Shareholders requires a favourable vote of a majority of the Common Shares voted in respect thereof at the Meeting. The TSXV requires such approval before it will allow the adoption of the Option Plan. Options to purchase Common Shares that were previously granted to directors, officers and employees of the Corporation will be deemed to be granted under the Option Plan. **Unless instructed otherwise, the management designees in the accompanying instrument of proxy intend to vote FOR the resolution to ratify, adopt and re-approve the Option Plan.**

The text of the resolution regarding this matter is as follows:

"BE IT RESOLVED THAT:

1. the stock option plan (the "**Option Plan**") of the Corporation, as described in the management information circular and proxy statement of the Corporation dated August 6, 2021, as may be amended by the Board as required by applicable securities regulatory authorities or stock exchanges, is hereby ratified, adopted and re-approved;
2. the form of the Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation; and
3. any one director or officer of the Corporation is authorized, on behalf of the Corporation, to execute and deliver all documents and do all things as such person may determine to be necessary or advisable to give effect to this resolution."

## OTHER MATTERS TO BE ACTED UPON

As of the date of this Information Circular, management knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, the accompanying proxy will be voted on such matters in the best judgment of the person or persons voting the proxy.

## ADDITIONAL INFORMATION

Additional information relating to the Corporation is available through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) which can be accessed at [www.sedar.com](http://www.sedar.com). Financial information concerning the Corporation is provided in the comparative annual consolidated financial statements and management's discussion and analysis ("MD&A") of the Corporation for its most recently completed financial year which can also be accessed at [www.sedar.com](http://www.sedar.com) or Shareholders may contact the Corporation to request copies of the financial statements and MD&A at 1480 Frances Street, Vancouver, B.C., V5L 1Y9 or via email at [svanry@legendpower.com](mailto:svanry@legendpower.com).

## SCHEDULE "A"

### AUDIT COMMITTEE CHARTER FOR THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

#### 1. PURPOSE

The primary responsibility of the Audit Committee of Legend Power Systems Inc. ("Company") is oversight of the Company's financial management and reporting processes on behalf of the Board of Directors ("Board"). This includes oversight of financial reporting and continuous disclosure, external audit activities, financial risk and financial management control, and compliance with tax and securities laws and regulations as well as whistle blowing procedures.

#### 2. MEMBERSHIP

1. The Audit Committee will consist of three members, at least two of whom must be independent directors (as defined in National Instrument (NI) 52-110 *Audit Committees*), and all of whom shall be financially literate. An Audit Committee member who is not financially literate may be appointed to the Audit Committee provided that the member becomes financially literate within a reasonable period of time following his or her appointment.
2. The members of the Audit Committee will be appointed annually (and from time to time thereafter to fill vacancies on the Audit Committee) by the Board. An Audit Committee member may be removed or replaced at any time at the discretion of the Board.

#### 3. AUTHORITY AND RESOURCES

In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:

3. engage, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities and any such consultants or professional advisors retained by the Audit Committee will report directly to the Audit Committee;
4. communicate directly with management and any internal auditor, and with the external auditor without management involvement; and
5. to incur ordinary administrative expenses that are necessary or appropriate in carrying out its duties, such expenses to be paid for by the Company.

#### 4. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Audit Committee include:

6. recommending to the Board the external auditor to be engaged by the Board;
7. recommending to the Board the compensation of the external auditor, to be paid by the Company, in connection with (i) preparing and issuing the audit report on the Company's financial statements, and (ii) performing other audit, review or attestation services;
8. reviewing the external auditor's annual audit plan, fee schedule and any related services proposals (including meeting with the external auditor to discuss any deviations from or changes to the

- original audit plan, as well as to ensure that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditor or the reporting of their findings to the Audit Committee);
9. overseeing the work of the external auditor;
  10. ensuring that the external auditor is independent by receiving a report annually from the external auditors with respect to their independence, such report to include a disclosure of all engagements (and fees related thereto) for non-audit services provided to Company;
  11. ensuring that the external auditor is in good standing with the Canadian Public Accountability Board by receiving, at least annually, a report by the external auditor on the audit firm's internal quality control processes and procedures, such report to include any material issues raised by the most recent internal quality control review, or peer review, of the firm, or any governmental or professional authorities of the firm within the preceding five years, and any steps taken to deal with such issues;
  12. ensuring that the external auditor meets the rotation requirements for partners and staff assigned to the Company's annual audit by receiving a report annually from the external auditors setting out the status of each professional with respect to the appropriate regulatory rotation requirements and plans to transition new partners and staff onto the audit engagement as various audit team members' rotation periods expire;
  13. reviewing and discussing with management and the external auditor the annual audited and quarterly unaudited financial statements and related Management Discussion and Analysis ("MD&A"), including the appropriateness of the Company's accounting policies, disclosures (including material transactions with related parties), reserves, key estimates and judgements (including changes or variations thereto) and obtaining reasonable assurance that the financial statements are presented fairly in accordance with GAAP/IFRS and the MD&A is in compliance with appropriate regulatory requirements;
  14. reviewing and discussing with management and the external auditor major issues regarding accounting principles and financial statement presentation including any significant changes in the selection or application of accounting principles to be observed in the preparation of the financial statements of the Company and its subsidiaries;
  15. reviewing and discussing with management and the external auditor the external auditor's written communications to the Audit Committee in accordance with generally accepted auditing standards and other applicable regulatory requirements arising from the annual audit and quarterly review engagements;
  16. reviewing and discussing with management and the external auditor all earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies prior to such information being disclosed;
  17. reviewing the external auditor's report to the shareholders on the Company's annual financial statements;
  18. reporting on and recommending to the Board the approval of the annual financial statements and the external auditor's report on those financial statements, the quarterly unaudited financial statements, and the related MD&A and press releases for such financial statements, prior to the dissemination of these documents to shareholders, regulators, analysts and the public;

19. satisfying itself on a regular basis through reports from management and related reports, if any, from the external auditors, that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements that such information is fairly presented;
20. overseeing the adequacy of the Company's system of internal accounting controls and obtaining from management and the external auditor summaries and recommendations for improvement of such internal controls and processes, together with reviewing management's remediation of identified weaknesses;
21. reviewing with management and the external auditors the integrity of disclosure controls and internal controls over financial reporting;
22. reviewing, monitoring, discussing and assessing the processes in place to identify and manage the principal risks that could impact the Company and discussing policies with respect to risk assessment and risk management, which discussions will include (i) the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, and (ii) guidelines and policies to govern the process by which risk assessment and management is undertaken;
23. satisfying itself that management has developed and implemented a system to ensure that the Company meets its continuous disclosure obligations through the receipt of regular reports from management and the Company's legal advisors on the functioning of the disclosure compliance system, (including any significant instances of non-compliance with such system) in order to satisfy itself that such system may be reasonably relied upon.;
24. resolving disputes between management and the external auditor regarding financial reporting;
25. establishing procedures for:
  1. the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto; and
  2. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
26. reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
27. pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor (the Chair of the Audit Committee has the authority to pre-approve in between regularly scheduled Audit Committee meetings any non-audit service of less than \$25,000, however such approval will be presented to the Audit Committee at the next scheduled meeting for formal approval);
28. overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities; and
29. establishing procedures for:
  3. reviewing the expenses of the Chair of the Board, and the Chief Executive Officer (the "CEO") on a quarterly basis;

4. reviewing the adequacy of the Company's insurance coverage including, with the assistance of the Governance and Nominating Committee, Directors' and Officers' insurance coverage;
5. reviewing activities, organizational structure, and qualifications of the Chief Financial Officer ("CFO") and the staff in the financial reporting area and ensuring that matters related to succession planning are raised for consideration at the Board;
6. obtaining reasonable assurance as to the integrity of the CEO and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;
7. reviewing fraud prevention policies and programs, and monitoring their implementation
8. reviewing regular reports from management and others (e.g., external auditors, legal counsel) with respect to the Company's compliance with laws and regulations having a material impact on the financial statements including:
  1. tax and financial reporting laws and regulations;
  2. legal withholding requirements;
  3. environmental protection laws and regulations; and
  4. other laws and regulations which expose directors to liability.
30. appropriate orientation of new members as well as the continuous education of all members including identifying their individual needs and arranging for such education
31. other matters as may be directed by the Board from time to time
32. on behalf of the Board, providing continuously monitoring developments related to the committee's responsibilities.
33. annually reviewing and assessing the adequacy of this charter taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommending changes to the Board.

## **5. MEETINGS**

34. The quorum for a meeting of the Audit Committee is a majority of the members.
35. The Board will appoint the Chair of the Audit Committee who will be responsible for leadership of the committee, including scheduling and presiding over meetings, preparing agendas, overseeing the preparation of briefing documents to circulate during the meetings as well as pre-meeting materials, and making regular reports to the Board. The Chair of the Audit Committee will also maintain regular liaison with the CEO, CFO, and the lead engagement partner of the external auditor.
36. The Audit Committee's schedule of meetings and agendas are set out in section 9 below. Dates and locations will be provided to the Board, the Audit Committee members, the external auditors and management in advance.

37. The Audit Committee will meet in camera separately with the CEO and separately with the CFO of the Company at least annually to review the financial affairs of the Company.
38. The Audit Committee will meet with the external auditor of the Company in camera at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.
39. The external auditor must be given reasonable notice of each meeting of the Audit Committee.
40. Each of the chair of the Audit Committee, members of the Audit Committee, Chair of the Board, external auditor, CEO, CFO or secretary shall be entitled to request that the Chair of the Audit Committee call a meeting which shall be held within 48 hours of receipt of such request to consider any matter that such individual believes should be brought to the attention of the Board or the shareholders.

## **6. REPORTS**

41. The Audit Committee will report, at least quarterly, to the Board regarding the Audit Committee's examinations and recommendations, and annually to the Board regarding the Audit Committee's compliance with this Charter.
42. The Audit Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.

## **7. MINUTES**

The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

## SCHEDULE "B"

### SHARE OPTION PLAN

Dated for Reference March 24, 2010  
(amended March 17, 2011, May 16, 2012 and August 18, 2015)

#### ARTICLE 1 PURPOSE AND INTERPRETATION

##### 1.1 Purpose

1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSX Venture Policies (or, if applicable, NEX Policies) and any inconsistencies between this Plan and TSX Venture Policies (or, if applicable, NEX Policies) will be resolved in favour of such policies.

##### 1.2 Definitions

1.2 In this Plan

(a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;

(b) **Associate** has the meaning set out in the Securities Act;

(c) **Blackout Period** means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company's insider-trading policy or applicable securities legislation, (which, for the avoidance of doubt, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject);

(d) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;

(e) **Change of Control** includes situations where after giving effect to the contemplated transaction and as a result of such transaction:

(i) any one Person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company; or,

(ii) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, holds in total a sufficient number of voting shares of the Company or its successor to affect materially the control of the Company or its successor, where such Person or combination of Persons did not previously hold a sufficient number of voting shares to materially affect control of the Company or its successor;

and, in the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 20% of the voting shares of the Company or resulting company is deemed to materially affect control of the Company or resulting company;

(f) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the TSX Venture (or, NEX, as the case may be);

- (g) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, all of its Affiliates and successors according to law;
- (h) **Consultant** means an individual or Consultant Company, other than an Employee, Officer or Director that:
- (i) provides on an ongoing *bona fide* basis, consulting, technical, managerial or like services to the Company or an Affiliate of the Company, other than services provided in relation to a Distribution;
  - (ii) provides the services under a written contract between the Company or an Affiliate and the individual or the Consultant Company;
  - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and
  - (iv) has a relationship with the Company or an Affiliate of the Company that enables the individual or Consultant Company to be knowledgeable about the business and affairs of the Company;
- (i) **Consultant Company** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (j) **Directors** means the directors of the Company as may be elected from time to time;
- (k) **Discounted Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (l) **Disinterested Shareholder Approval** means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted shareholders' meeting, excluding votes attached to Common Shares beneficially owned by Insiders who are Service Providers or their Associates;
- (m) **Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;
- (n) **Effective Date** for an Option means the date of grant thereof by the Board;
- (o) **Employee** means an individual who:
- (i) is considered an employee under the *Income Tax Act* Canada (i.e. for whom income tax, employment insurance and CPP deductions must be made at source); or
  - (ii) works full-time for the Company or a subsidiary thereof providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
  - (iii) works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;
- (p) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (q) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (r) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;

- (s) **Insider** means an insider as defined in the TSX Venture Policies;
- (t) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (u) **Management Company Employee** means an individual employed by a Person providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person engaged in Investor Relations Activities;
- (v) **Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (w) **NEX** means a separate board of the TSX Venture for companies previously listed on the TSX Venture or the Toronto Stock Exchange which have failed to maintain compliance with the ongoing financial listing standards of those markets;
- (x) **NEX Issuer** means a company listed on NEX;
- (y) **NEX Policies** means the rules and policies of NEX as amended from time to time;
- (z) **Officer** means a Board appointed officer of the Company;
- (aa) **Option** means the right to purchase Common Shares granted hereunder to a Service Provider;
- (bb) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A attached hereto;
- (cc) **Optioned Shares** means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;
- (dd) **Optionee** means the recipient of an Option hereunder;
- (ee) **Outstanding Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;
- (ff) **Participant** means a Service Provider that becomes an Optionee;
- (gg) **Person** includes a company, any unincorporated entity, or an individual;
- (hh) **Plan** means this share option plan, the terms of which are set out herein or as may be amended;
- (ii) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in §2.2;
- (jj) **Regulatory Approval** means the approval of the TSX Venture and any other securities regulatory authority that has lawful jurisdiction over the Plan and any Options issued hereunder;
- (kk) **Securities Act** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;
- (ll) **Service Provider** means a Person who is a *bona fide* Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (mm) **Share Compensation Arrangement** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to a Service Provider;

(nn) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders' meeting;

(oo) **Take Over Bid** means a take over bid as defined in Multilateral Instrument 62-104 *Take-over Bids and Issuer Bids* or the analogous provisions of securities legislation applicable to the Company;

(pp) **TSX Venture** means the TSX Venture Exchange and any successor thereto; and

(qq) **TSX Venture Policies** means the rules and policies of the TSX Venture as amended from time to time.

### **1.3 Other Words and Phrases**

1.3 Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the TSX Venture Policies (and, if applicable, the NEX Policies), will have the meaning assigned to them in the TSX Venture Policies (and, if applicable, NEX Policies).

### **1.4 Gender**

1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

## **ARTICLE 2 SHARE OPTION PLAN**

### **1.5 Establishment of Share Option Plan**

2.1 The Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

### **1.6 Maximum Plan Shares**

2.2 The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan at any point in time is 10% of the Outstanding Shares at the time Plan Shares are reserved for issuance as a result of the grant of an Option, less any Common Shares reserved for issuance under share options granted under Share Compensation Arrangements other than this Plan, unless this Plan is amended pursuant to the requirements of the TSX Venture Policies (and, if applicable, NEX Policies).

### **1.7 Eligibility**

2.3 Options to purchase Common Shares may be granted hereunder to Service Providers of the Company, or its affiliates, from time to time by the Board. Service Providers that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture and the Company is obtained.

### **1.8 Options Granted Under the Plan**

2.4 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, or in such other form as may be or have been approved by the directors from time to time, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

#### **1.9 Limitations on Issue**

2.6 Subject to §2.10, the following restrictions on issuances of Options are applicable under the Plan:

(a) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Outstanding Shares, unless the Company has obtained Disinterested Shareholder Approval to do so;

(b) the aggregate number of Options granted to all Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture (or NEX, as the case may be); and

(c) the aggregate number of Options granted to any one Consultant in any 12 month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture.

#### **1.10 Options Not Exercised**

2.7 If an Option granted under the Plan expires unexercised or is terminated by reason of dismissal of the Optionee for cause or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issuance.

#### **1.11 Powers of the Board**

2.8 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

(a) allot Common Shares for issuance in connection with the exercise of Options;

(b) grant Options hereunder;

(c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under the Plan unless the alteration or impairment occurred as a result of a change in the TSX Venture Policies or the Company's tier classification thereunder;

(d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do; and

(e) amend this Plan (except for previously granted and outstanding Options) to reduce the benefits that may be granted to Service Providers (before a particular Option is granted) subject to the other terms hereof.

### **1.12 Amendment of the Plan by the Board of Directors**

2.9 Subject to the requirements of the TSX Venture Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:

- (a) it may make amendments which are of a typographical, grammatical, clerical, or housekeeping nature only;
- (b) it may change the vesting provisions of an Option granted hereunder, subject to prior written approval of the TSX Venture, if applicable;
- (c) it may amend the exercise price of an Option granted hereunder, subject to §2.10 and the prior written approval of the TSX Venture, if applicable;
- (d) it may change the termination provision of an Option granted hereunder which does not entail an extension beyond the maximum period permitted under the TSX Venture Policies;
- (e) it may make amendments necessary as a result in changes in laws applicable to the Company;
- (f) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- (g) it may make such amendments as reduce, and do not increase, the benefits of this Plan to Service Providers.

### **1.13 Amendments Requiring Disinterested Shareholder Approval**

2.10 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) the Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in:
  - (i) the aggregate number of Common Shares reserved for issuance under Options granted to Insiders exceeding 10% of the Outstanding Shares if this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares;
  - (ii) the number of Optioned Shares issued to Insiders within a one-year period exceeding 10% of the Outstanding Shares if this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares; or,
  - (iii) the issuance to any one Optionee, within a 12-month period, of a number of Common Shares exceeding 5% of the Outstanding Shares; or
- (b) any reduction in the Exercise Price of an Option previously granted to an Insider.

### **1.14 Options Granted Under the Company's Previous Share Option Plans**

2.11 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

**ARTICLE 3**  
**TERMS AND CONDITIONS OF OPTIONS**

**1.15**     **Exercise Price**

3.1             The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Discounted Market Price.

**1.16**     **Term of Option**

3.2             An Option can be exercisable for a maximum of 10 years from the Effective Date.

**1.17**     **Option Amendment**

3.3             Subject to §2.10(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSX Venture, or the date of the last amendment of the Exercise Price.

3.4             An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.2.

3.5             Any proposed amendment to the terms of an Option must be approved by the TSX Venture prior to the exercise of such Option.

**1.18**     **Vesting of Options**

3.6             Subject to §3.7, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the 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:

- (a)            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
- (b)            the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

**1.19**     **Vesting of Options Granted to Consultants Conducting Investor Relations Activities**

3.7             Notwithstanding §3.6, Options granted to Consultants and Employees conducting Investor Relations Activities will vest:

- (a)            over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or
- (b)            such longer vesting period as the Board may determine.

**1.20**     **Effect of Take Over Bid**

3.8             If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding §3.6 and §3.7 or any vesting requirements set

out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture (or the NEX, as the case may be) for vesting requirements imposed by the TSX Venture Policies.

**1.21 Acceleration of Vesting on Change of Control**

3.9 In the event of a Change of Control occurring, Options granted and outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control.

**1.22 Extension of Options Expiring During Blackout Period**

3.10 Should the Expiry Date for an Option fall within a Blackout Period, such Expiry Date shall, subject to approval of the TSX Venture (or the NEX, as the case may be), be automatically extended without any further act or formality to that day which is the tenth (10<sup>th</sup>) Business Day after the end of the Blackout Period, such tenth (10<sup>th</sup>) Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. Notwithstanding §2.8, the tenth (10<sup>th</sup>) Business Day period referred to in this §3.10 may not be extended by the Board.

**1.23 Optionee Ceasing to be Director, Employee or Service Provider**

3.11 Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

(a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;

(b) each Option will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and

(c) 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 without right to exercise same.

**1.24 Non Assignable**

3.12 Subject to §3.11(a), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

**1.25 Adjustment of the Number of Optioned Shares**

3.13 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

(a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;

(b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;

(c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;

(d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.13;

(e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;

(f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.13, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and

(g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.13, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees.

#### **ARTICLE 4 COMMITMENT AND EXERCISE PROCEDURES**

##### **1.26 Option Commitment**

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

**1.27 Manner of Exercise**

4.2 An Optionee who wishes to exercise his Option may do so by delivering:

- (a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
- (b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to §4.3.

**1.28 Tax Withholding and Procedures**

4.3 Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §4.2 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

**1.29 Delivery of Optioned Shares and Hold Periods**

4.4 As soon as practicable after receipt of the notice of exercise described in §4.2 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. If the Exercise Price is set below the then current market price of the Common Shares on the TSX Venture at the time of grant, or if the Optionee is a Director or Officer or is a shareholder owning or controlling 10% or more of the outstanding Common Shares with a power to appoint one or more Directors to the Board, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing on the date of the Option Commitment.

**ARTICLE 5  
GENERAL**

**1.30 Employment and Services**

5.1 Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

**1.31 No Representation or Warranty**

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to

an Optionee. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

**1.32 Interpretation**

5.3 The Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

**1.33 Continuation of Plan**

5.4 The Plan will become effective from and after March 24, 2010, and will remain effective provided that the Plan, or any amended version thereof receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to March 24, 2010.

**1.34 Amendment of the Plan**

5.5 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to any necessary Regulatory Approvals unless the effect of such amendment is intended to reduce (but not to increase) the benefits of this Plan to Optionees.

**SCHEDULE A**  
**SHARE OPTION PLAN**  
**OPTION COMMITMENT**

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Effective Date") **LEGEND POWER SYSTEMS INC.** (the "Company") has granted to \_\_\_\_\_ (the "Optionee"), an Option to acquire \_\_\_\_\_ Common Shares ("Optioned Shares") up to 5:00 p.m. (Vancouver Time) on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Expiry Date") at an Exercise Price of Cdn\$\_\_\_\_\_ per share.

Optioned Shares are to vest immediately.

**OR**

Optioned Shares will vest [INSERT VESTING SCHEDULE AND TERMS]

The Option shall expire \_\_\_\_\_ days after the Optionee ceases to be employed by or provide services to the Company.

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and form part hereof.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price, plus any required withholding tax amount. A certificate, or written notice in the case of uncertificated shares, for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter and may bear a minimum four month non-transferability legend from the date of this Option Commitment, the text of which is as follows. *[Note: A Company may grant stock options without a hold period, provided the exercise price of the options is set at or above the market price of the Company's shares and the optionee is not a director or officer nor a shareholder owning or controlling 10% or more of the outstanding common shares with a power to appoint one or more directors to the board. If a four month hold period is applicable, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.]*

"WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL ●." [insert date that is four months and one day from the date of grant]

The Company and the Optionee represent that the Optionee under the terms and conditions of the Plan is a *bona fide* Service Provider (as defined in the Plan), entitled to receive Options under TSX Venture Policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the Policies of the TSX Venture Exchange) by both the Company and the TSX Venture (or the NEX, as the case may be) as more particularly set out in the Acknowledgement - Personal Information in use by the TSX Venture (or the NEX, as the case may be) on the date of this Option Commitment.

**LEGEND POWER SYSTEMS INC.**

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Authorized Signatory

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*[insert name of optionee]*

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*Signature of Optionee*