



Annual and Special Meeting of Shareholders
Management Information Circular

July 31, 2023

CVW CleanTech Inc.
Suite 800, 736 8th Avenue SW
Calgary, Alberta T2P 1H4
Notice of Annual and Special Meeting of Shareholders

NOTICE IS HEREBY GIVEN THAT the annual and special meeting of shareholders (the "**Meeting**") of CVW CleanTech Inc. (formerly Titanium Corporation Inc.) (the "**Company**" or "**CVW CleanTech**") will be held as a virtual only meeting via live audio webcast online at <https://virtual-meetings.tsxtrust.com/1543> on September 12, 2023 at 11:00 a.m. Mountain Standard Time for the following purposes:

1. to receive and consider the financial statements of the Company for the fiscal year ended December 31, 2022;
2. to fix the number of directors at six (6) and elect directors for the ensuing year;
3. to approve the appointment of the auditor and to authorize the directors of the Company to fix the auditor's remuneration;
4. to consider and if thought advisable, to pass, with or without amendment, an ordinary resolution to approve the Company's 10% rolling Equity Incentive Plan, as more particularly described in the attached management information circular; and
5. to transact such other business as may properly come before the Meeting or any adjournments thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the management information circular of the Company dated July 31, 2023. The board of directors of the Company has determined that shareholders registered on the books of the Company at the close of business on July 24, 2023 are entitled to notice of the virtual Meeting and to vote at the virtual Meeting.

The Company will hold its Meeting in a virtual only format. Shareholders will have an equal opportunity to participate at the Meeting online regardless of their geographic location. See "*The Virtual Only Meeting – Attending and Participating at the Meeting*" in the accompanying management information circular of the Company for instructions on how to participate in the Meeting.

Shareholders of the Company who are unable to attend the virtual Meeting are requested to date and sign the enclosed form of proxy and return it in the enclosed envelope. In order to be valid and acted upon at the virtual Meeting, forms of proxy must be returned to the Company's registrar and transfer agent, TSX Trust Company, not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of the virtual Meeting or any adjournment thereof. Registered Shareholders of the Company may revoke their proxies by depositing an instrument in writing at the registered office of the Company at any time up to and including the last business day preceding the day of the virtual Meeting or any adjournment thereof or in any other manner permitted by law, including pursuant to the provisions of the *Canada Business Corporations Act*. Registered Shareholders who submit proxies in advance of the Meeting can still attend the Meeting, but will not need to vote. If they do vote at the Meeting, the online vote will revoke their previously submitted proxy.

DATED this 31st day of July, 2023.

BY ORDER OF THE BOARD

"Darren Morcombe"

Darren Morcombe
Executive Chairman



Chairman's Message

Dear Fellow Shareholders:

In 2022 your company, CVW CleanTech, continued to examine different strategies to successfully commercialize the CVW™ technologies. The management team did a commendable job keeping the business moving forward while controlling costs. With the support of our business partners and the Federal and Alberta governments, management continued to successfully execute on its business objectives critical to driving Shareholder value.

As you are no doubt aware the integration of our CVW™ technology into an existing operation requires significant engineering, forethought, and planning. Throughout 2022 we have continued our engagement with the companies operating within the oil sands industry. We received valuable feedback from potential partners, on which we took significant and meaningful actions in 2022. The Company evaluated simplified options and phased approaches to a potential implementation, significantly increasing returns for stakeholders and enhancing project affordability.

In early 2022, the Company's Board of Directors was reconstituted to increase the focus on the commercialization of the CVW™ technology while building on the historical technical success of the company. The Board was further strengthened in March 2022 by the addition of Jennifer Kaufield, the former Vice President, Finance and Chief Financial Officer of CVW CleanTech. Ms. Kaufield subsequently joined the Audit Committee as its Chair, providing additional financial acumen and a great depth of knowledge of CVW CleanTech and its technologies.

In March 2022, the Company's former Chief Executive Officer, Scott Nelson, announced his retirement. Mr. Nelson continued to play an important role with CVW CleanTech in 2022 as a valued consultant to the business, providing expertise in government relations, funding agency contracting, and supporting ongoing partnerships and collaborations with our oil sands partners. The Board appreciates Mr. Nelson's efforts as Chief Executive Officer and now as a consultant, and we look forward to continuing to work with Scott.

Also, in March 2022 the Shareholders voted to approve the name change from Titanium Corporation Inc. to CVW CleanTech Inc., representing not only an administrative update but more importantly a philosophical shift in the manner in which the Company can create value for its Shareholders and other stakeholders.

In September 2022 the Company welcomed its new CEO Akshay Dubey. Mr. Dubey brings fresh ideas to the table along with his experience in building partnerships and negotiating unique financial structures. To ensure alignment with the interest of our Shareholders, we have structured Mr. Dubey's incentives to align with the goals of the business by focusing on key performance and share price based milestones that will ultimately drive value for stakeholders and create a strong level of common purpose.

In October 2022, we mourned the tragic loss of John Kowal, a valued member of our Board of Directors. John became a member of the Board in January 2022 and dedicatedly served as the Chair of the Audit Committee. John is survived by his family and many friends to whom we continue to send our thoughts and well wishes.

The Company was active in the financial markets in 2022. Government partners continued to see value in the CVW™ technology and rewarded the Company with funding from the Clean Resources Innovation Network. Management successfully closed private placements in both January and October 2022, securing investment from existing and new Shareholders eager to capitalize on the opportunity.

To all our business and government partners, our employees, and our shareholders, we thank you for your collective support during an unprecedented and testing year. We wish you, your families and colleagues good health and safety as we all look forward to a successful 2023.

Sincerely,
Darren Morcombe
Executive Chairman



MANAGEMENT INFORMATION CIRCULAR JULY 31, 2023

SOLICITATION OF PROXIES

This management information circular (the "**Circular**") is furnished in connection with the solicitation of proxies by or on behalf of the management (the "**Management**") of CVW CleanTech (formerly Titanium Corporation Inc.) to be used at the Meeting of the holders ("**Shareholder**") of common shares of the Company ("**Shares**") to be held as a virtual only meeting via live audio webcast online at <https://virtual-meetings.tsxtrust.com/1543> on September 12, 2023 at 11:00 a.m. Mountain Standard Time and at any adjournment or adjournments thereof for the purposes set forth in the notice of the Meeting. The solicitation of proxies will be primarily by mail. Proxies may also be solicited by the directors or officers of the Company at nominal cost.

Arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees, and fiduciaries to forward solicitation materials to the beneficial owners of the Shares held of record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The cost of solicitation by or on behalf of Management will be borne by the Company. Unless otherwise specified, all information set forth herein is provided as at July 31, 2023.

THE VIRTUAL ONLY MEETING - ATTENDING AND PARTICIPATING AT THE MEETING

Registered Shareholders (as defined below) and duly appointed proxyholders will be able to listen to the Meeting, ask questions and vote online, all in real time, provided they are connected to the Internet and comply with all of the requirements set out herein.

Non Registered Holders (as defined below) (commonly referred to as beneficial shareholders) who have not duly appointed themselves as proxyholders may still attend the Meeting as guests. **Guests will be able to listen to the Meeting but will not be able to vote at the Meeting.**

- Go to <https://virtual-meetings.tsxtrust.com/1543> in your web browser. The latest versions of Chrome, Safari, Microsoft Edge, or Firefox will be needed. The Company recommends that attendees log in at least thirty (30) minutes before the Meeting starts. Attendees should allow ample time to login to the Meeting to check compatibility and complete the related procedures.
- If you have voting rights (Registered Shareholders and duly appointed proxyholders), select "*I have a Control Number*", enter the control number or username and password: **cvw2023** (case sensitive) and follow the instructions. See "*Logging into the Meeting to Vote – Registered Shareholders and Duly Appointed Proxyholders*".
- If you do not have voting rights (Non Registered Holders who have not duly appointed themselves as proxyholders, and guests), select "*I am a Guest*" and fill in the form. See "*Registration of a*

Proxyholder for Online Meeting Participation" below.

See "*Participating and Voting at the Meeting*" below for additional instructions on voting. The Company recommends that Shareholders log in to the site at least thirty (30) minutes before the time of the Meeting. Shareholders will be able to log in to the site one hour before the time of the Meeting.

Logging into the Meeting to Vote – Registered Shareholders and Duly Appointed Proxyholders

Registered Shareholders and duly appointed proxyholders, including Non Registered Holders who have duly appointed themselves as proxyholder, can participate, ask questions and vote, all in real time, during the Meeting by:

- Logging in online at <https://virtual-meetings.tsxtrust.com/1543>

The Company recommends that Shareholders log in at least thirty (30) minutes before the time of the Meeting. Shareholders will be able to log in to the site one hour before the time of the Meeting.

- Clicking "*I have a Control Number*" and then entering control number or username and the password **cvw2023** (case sensitive).

For Registered Shareholders, the Control Number is located on the accompanying form of proxy or in the email notification received from the Company's registrar and transfer agent, TSX Trust Company (the "**Transfer Agent**"). For duly appointed proxyholders, provided that the instructions provided in this Circular have been followed, the Transfer Agent will provide a Meeting-specific control number by e-mail after the proxy deposit deadline has passed.

PARTICIPATING AND VOTING AT THE MEETING

Attending the Meeting online gives Shareholders an opportunity to hear directly from Management and the board of directors of the Company (the "**Board**"). Registered Shareholders and duly appointed proxyholders can participate, ask questions and vote virtually via live audio webcast, including by asking questions during the question and answer session and voting online, provided they follow the instructions herein.

Registered Shareholders who wish to participate and vote at the Meeting do not need to complete or return the accompanying form of proxy. A Control Number is located on the accompanying form of proxy and it may be used to login to the Meeting and vote at the Meeting by completing a ballot online during the Meeting. If a Registered Shareholder submits a form of proxy, they do not need to vote again at the Meeting as their vote will already be recorded. Registered Shareholders who submit proxies in advance of the Meeting can still attend the Meeting and not vote. If they do vote at the Meeting again, the online vote will revoke their previously submitted proxy. See "*Appointment, Revocation and Deposit of Proxies*".

Non Registered Holders who wish to attend the Meeting and vote by completing a ballot online during the Meeting must appoint themselves as their own proxyholders by following the instructions herein. See "*Registration of a Proxyholder for Online Meeting Participation*" and "*Advice to Beneficial Shareholders*".

Registration of a Proxyholder for Online Meeting Participation

The following applies to Shareholders who wish to appoint someone as their proxyholder other than the Management designees named in the form of proxy or voting instruction form ("**VIF**") to attend the virtual Meeting and vote on their behalf. This includes Beneficial Shareholders who wish to appoint themselves as proxyholder to attend and participate in the virtual Meeting. Shareholders who wish to appoint someone other than the Management designees as their proxyholder to attend and participate at the Meeting as their proxy and vote their Common Shares **MUST** submit their form of proxy or VIF, as applicable, appointing that person as proxyholder (see "*Solicitation of Proxies*" and "*Beneficial Holders of Common Shares*") **AND** must register that proxyholder, as described below. **Registering a Shareholder's proxyholder is an additional step to be completed AFTER such Shareholder has submitted their form of proxy or VIF. Failure to register the proxyholder will result in the proxyholder not receiving the Meeting-specific control number from the Transfer Agent that is required in order to participate and vote at the Meeting.** If you are a Non Registered Holder and you wish to participate or vote at the Meeting, you must appoint yourself as proxyholder by inserting your own name in the space provided on the form of proxy or VIF sent to you by your intermediary (an "**Intermediary**"), and follow all of applicable instructions provided by your Intermediary **AND** you must also register yourself as your proxyholder, as described below. By doing so, you are instructing your Intermediary (as defined herein) to appoint you as proxyholder. Non Registered Holders who have not appointed themselves as proxyholder (and registered as instructed below) cannot vote online during the Meeting. This is because the Company and the Transfer Agent do not maintain the records for Non Registered Holders and have no knowledge of your shareholdings or entitlement to vote, unless you appoint yourself as proxyholder.

Shareholders must register their proxyholder in advance of the Meeting. Before registering, you must first appoint your proxyholder (see above). To register a proxyholder, **Shareholders MUST contact tsxtrustproxyvoting@tmx.com by 11:00 a.m. Mountain Standard Time on September 8, 2023** and provide the Transfer Agent with the required proxyholder contact information, so that Transfer Agent may provide the proxyholder with a Meeting-specific control number via email. Without a Meeting-specific control number, proxyholders will not be able to attend and vote online at the Meeting.

APPOINTMENT, REVOCATION AND DEPOSIT OF PROXIES

The persons named in the enclosed form of proxy are officers and/or directors or nominees of Management. **A SHAREHOLDER HAS THE RIGHT TO APPOINT ANY OTHER PERSON TO REPRESENT HIM OR HER AT THE MEETING OR ANY ADJOURNMENT THEREOF AND MAY DO SO BY INSERTING IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY THE NAME OF THE PERSON, WHO NEED NOT BE A SHAREHOLDER, WHOM HE OR SHE WISHES TO APPOINT, OR BY COMPLETING ANOTHER FORM OF PROXY.** In order to be valid and acted upon at the Meeting, forms of proxy must be returned to the Transfer Agent, not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of the Meeting or any adjournment thereof. See also section titled "*Registration of a Proxyholder for Online Meeting Participation*".

A Shareholder executing the enclosed form of proxy has the power to revoke it at any time before it is exercised. The *Canada Business Corporations Act* (the "**CBCA**") sets out a procedure for revoking proxies by depositing an instrument in writing at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or in any other manner permitted therein or by law.

Further, a Registered Shareholder attending the Meeting has the right to vote online directly at the Meeting and if he or she does so, his or her proxy is automatically revoked.

ADVICE TO BENEFICIAL SHAREHOLDERS

Only a holder (a "**Registered Shareholder**") whose Shares are registered in its own name and proxies deposited by Registered Shareholders, or the persons they duly appoint as their proxies, are permitted to attend, and vote at the Meeting. However, in many cases, Shares beneficially owned by a holder (a "**Non Registered Holder**") are registered in the name of an Intermediary that the Non Registered Holder deals with in respect of such Shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSAs and similar plans.

In accordance with the notice-and-access rules under National Instrument 54-101 - *Communications with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") the Company has sent its proxy-related materials to Registered Shareholders and non-objecting beneficial owners using notice-and-access. Therefore, although Shareholders still receive a proxy or voting instruction form (as applicable) in paper copy, this Circular, the annual audited financial statements of the Company for its fiscal year ended December 31, 2022 and related management discussion and analysis, are not physically delivered. Instead, Shareholders may access these materials under the Company's profile on SEDAR at www.sedar.com or at <https://docs.tsxtrust.com/2116>.

Registered Shareholders or beneficial owners may request paper copies of the Meeting materials be sent to them by postal delivery at no cost to them. Requests may be made up to one year from the date the meeting materials are posted on the website referenced above. In order to receive a paper copy of the Meeting materials or if you have questions concerning notice-and-access, please call toll free at 1-866-600-5869 or email tsxt@tmx.com. Requests for paper copies of the Meeting materials should be received by September 1, 2023 in order to receive the Meeting materials in advance of the Meeting.

Shares held by Intermediaries can only be voted upon with the instructions of the Non Registered Holders. Intermediaries are required to seek voting instructions from Non Registered Holders in advance of the Meeting. Each Intermediary has its own procedures and provides its own instructions, which should be carefully followed by Non Registered Holders to ensure that their Shares are voted at the Meeting. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Without specific instructions, Intermediaries are prohibited from voting shares for their clients. The directors and officers of CVW CleanTech do not know for whose benefit the Shares registered in the names of Intermediaries are held.

The Company is taking advantage of those provisions of NI 54-101 which permit the Company to deliver proxy-related materials directly to its Non Registered Holders who do not object to the Company knowing who they are ("**NOBOs**"). As a result, NOBOs can expect to receive a VIF from the Transfer Agent. These VIFs are to be completed and returned to the Transfer Agent as set out in the instructions provided on the VIF. The Transfer Agent will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Shares represented by the VIFs it receives. By choosing to send these materials to you directly, the Company (and not the Intermediary holding your Shares on your behalf) has assumed responsibility for (i) delivering these materials to you; and (ii) executing your proper voting instructions. Please return your VIF as specified in your request for voting instructions that you receive.

Other Non Registered Holders who have not waived the right to receive meeting materials may be given a proxy which is restricted as to the number of 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. Often, the form of proxy supplied to a Non Registered Holder by its Intermediary is identical to the form of proxy provided to Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholders how to vote on behalf of the Non Registered Holder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Non Registered Holders and asks Non Registered Holders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting.

A Non Registered Holder receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote Shares directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting in order to have the Shares voted.

The purpose of these procedures is to permit Non Registered Holders to direct the voting of the Shares they beneficially own. **Should a Non Registered Holder who receives either a proxy or a VIF wish to attend and vote at the Meeting online (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 VIF, follow the corresponding directions therein and in this Circular. In either case, Non Registered Holders should carefully follow the instructions of their Intermediaries and their service companies. It is important that the VIF or form of proxy be received by the Intermediary or its agent sufficiently in advance of the Meeting to enable the Intermediary or its agent to provide voting instructions on your behalf. See "*The Virtual Only Meeting – Registration of a Proxyholder for Online Meeting Participation*" above.**

All references to Shareholders in this Circular and the accompanying form of proxy and notice of the Meeting are to Shareholders of record unless specifically stated otherwise.

MANNER OF VOTING AND EXERCISE OF DISCRETION BY PROXIES

All Shares represented by properly executed proxies received by the Company in a timely fashion will be voted at the Meeting in accordance with the instructions of the Shareholders appointing them. If a choice is specified in respect of any matter to be acted upon, the Shares will be voted accordingly.

IN THE ABSENCE OF SUCH DIRECTION, THE SHARES WILL BE VOTED "FOR" IN REGARDS TO THE FOLLOWING MATTERS:

1. fixing the number of directors at six (6) and electing the directors of the Company for the ensuing year in accordance with Management recommendations;
2. the appointment of the auditor and the authorization of the directors of the Company to fix the auditor's remuneration;
3. approving the plan resolution with respect of the Company's 10% rolling Equity Incentive Plan (the "EIP");

4. considering any amendment or variation of the above matters or any other matter that may be brought before the Meeting or any adjournment or adjournments thereof in such manner as such proxy, in such proxyholder's sole judgment, may determine.

THE ENCLOSED FORM OF PROXY, WHEN PROPERLY EXECUTED, CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO ALL AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE NOTICE OF THE MEETING OR OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING. **HOWEVER, IF ANY SUCH AMENDMENTS, VARIATIONS OR OTHER MATTERS WHICH ARE NOT NOW KNOWN TO MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXIES HEREBY SOLICITED WILL BE VOTED THEREON IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSON OR PERSONS VOTING SUCH PROXIES.** As of the date hereof, Management knows of no such amendments, variations or any other such matters.

The CBCA permits certain eligible Shareholders to submit shareholder proposals to the Company for inclusion in a management proxy circular for an annual and special meeting of Shareholders. As of the date of this Circular, no shareholder proposals were submitted for consideration at the upcoming Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As at July 31, 2023, the Company had 124,466,063 Shares issued and outstanding. Each Share carries the right to one (1) vote at the Meeting.

The Company has fixed the close of business on July 24, 2023 as the record date for the purpose of determining Shareholders entitled to receive notice of the Meeting. All Shareholders of record as at the close of business on the record date will be entitled to vote at the Meeting and at all adjournments thereof.

Except as disclosed below, to the knowledge of the directors and officers of the Company, no person or company beneficially owns, directly or indirectly, or controls or directs, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company.

The officers and directors of the Company together beneficially own, directly, or indirectly, or exercise control or direction over 24,472,302 Shares carrying approximately 20% of the votes attached to the Shares when calculated on a non dilutive basis.

Based on publicly available information Mr. Moss Kadey beneficially owns, or controls or directs, directly or indirectly, 13,346,667 Shares representing approximately 10.72% of the outstanding Shares.

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

The current directors and officers of the Company and their associates and affiliates may have a material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in a matter to be acted upon at the Meeting as they currently hold, and may be granted additional options, deferred share units ("**DSU**") and restricted share units ("**RSU**"), as applicable.

See "*Particulars of Matters to be Acted Upon – Approval of the EIP*", "*Statement of Executive Compensation – Equity Compensation Plans*".

PARTICULARS OF MATTERS TO BE ACTED UPON

Financial Statements

The Company's audited financial statements for the fiscal year ended December 31, 2022 and the report of the auditor on those financial statements will be presented at the meeting. No formal action will be taken at the Meeting to approve the financial statements. The Board approved the financial statements upon the recommendation of the audit committee of the Board (the "**Audit Committee**") on April 20, 2023, prior to their delivery to Shareholders.

Election of Directors

The Company's articles currently provide that the Board shall consist of a minimum of three (3) and a maximum of fifteen (15) directors. At the Meeting, Shareholders will be asked to fix the number of directors to be elected at the Meeting at six (6) members and to elect six (6) directors to hold office until the next annual meeting or until their successors are elected or appointed.

In the event that, prior to the Meeting, any vacancies occur in the slate of nominees appearing below, it is intended that discretionary authority shall be granted to vote proxies solicited by or on behalf of Management for the election of any person or persons as directors. Each director elected will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected unless the office is earlier vacated in accordance with the by-laws of the Company.

The following table and the notes thereto state the names of all persons proposed to be nominated by Management for election as directors, their principal occupations and the number of Shares beneficially owned, directly or indirectly, by each of them as of July 31, 2023.

Name and Residence	Position	Principal Occupation During Past 5 Years	Director Since	Number of Shares Beneficially Owned or Controlled ⁽¹⁾
John Brussa <i>Alberta, Canada</i>	Director	Since 1987, Partner of Burnet, Duckworth & Palmer LLP, a Calgary based law firm, where he has specialized in taxation and is currently the Chairman.	January 2022	1,477,500
Akshay Dubey <i>Alberta, Canada</i>	Director	Chief Executive Officer (" CEO ") of the Company. Finance executive within the natural resource space.	September 2022	221,334 ⁽²⁾

Bruce Griffin <i>London, United Kingdom</i>	Director	Since February 2020, owner of Farview Solutions Limited, a private consulting and advisory company. Since April 2021 Executive Chairman of Sheffield Resources Limited. Non-Executive Director of Mawson Gold Limited. Senior Vice President Strategic Development of Lomon Billions Group from February 2017 to January 2020.	August 2019	970,500 ⁽³⁾
Moss Kadey <i>Ontario, Canada</i>	Director	Since 2000, an independent businessman and a director of private companies.	July 2008	13,346,667 ⁽⁴⁾
Jennifer Kaufield <i>Alberta, Canada</i>	Director	Until June 2021, the Vice President Finance, and Chief Financial Officer (“CFO”) of CVW CleanTech (formerly Titanium Corporation). Thereafter, independent businesswoman and former member of the Board of Directors of TransGlobe Energy Corporation.	March 2022	466,215
Darren Morcombe <i>Lugano, Switzerland</i>	Director	Mr. Morcombe has been a principal at Springtide Capital Pty. Ltd., a private investment company specializing in micro-cap listed companies, venture capital and resource-oriented companies, for the last five years.	January 2022	7,418,000 ⁽⁵⁾

Notes:

- (1) The information with respect to the Shares beneficially owned, controlled, or directed is not within the direct knowledge of the Company and has been furnished by the respective individuals and from publicly available information filed on www.sedi.ca.
- (2) 208,334 of the Shares are held by Mr. Dubey through the Dubey (2022) Family Trust, with the remaining 13,000 Shares held directly.
- (3) Mr. Griffin's Shares are held through Farview Solutions Ltd.
- (4) Mr. Kadey's shares are held or controlled as follows: Vivette Kadey (spouse) holds 100,000 Shares, Moss Kadey holds 2,567,500 Shares directly, the Kadey Family Trust holds 2,400,000 Shares, and Mossco Capital Inc. holds 8,279,167 Shares.
- (5) 6,118,000 of the Shares are held by Mr. Morcombe through Cockatoo Valley Investment Trust, with the remaining 1,300,000 Shares held directly.

The following is the composition of each standing committee of the Board (each, a “Committee”):

Audit Committee	Compensation Committee	Corporate Governance and ESG Committee
Jennifer Kaufield (Chair) Bruce Griffin Darren Morcombe	Bruce Griffin (Chair) John Brussa Moss Kadey Jennifer Kaufield Darren Morcombe	John Brussa (Chair) Bruce Griffin Moss Kadey Jennifer Kaufield Darren Morcombe

Biographical Information

John Brussa is a Partner and the Chairman of the Calgary-based law firm of Burnet, Duckworth & Palmer LLP and has been a partner of the firm since 1987, specializing in the area of taxation. He served on his first public oil and gas board in 1990 and currently serves on the board of directors for a number of energy and energy related companies. Mr. Brussa brings a wealth of experience stewarding both private and public companies through continued industry evolution and growth, and provides key strategic direction for managing operational strategy, hedging, legal aspects, tax implications and corporate governance. Mr. Brussa holds a Bachelor of Arts degree in History and Economics and a Bachelor of Laws degree. He is a past governor of the Canadian Tax Foundation and a Gold Medalist (Law) from the University of Windsor.

Akshay Dubey has over 11 years of experience originating and structuring investments in the natural resource space including within the oil and gas, mining and metals, agriculture, and timberland industries. He previously reported directly to the Board of Directors of BaseCore Metals LP which he led since its inception in 2017 till its sale in July 2022. At BaseCore his focus included originating and executing additional stream and royalty investments in the base metals sector, along with managing the company's portfolio of assets. Previous to BaseCore, Mr. Dubey was a Principal within the Natural Resources team at Ontario Teachers' Pension Plan Board, where he gained extensive experience in both the energy and mining sectors; including originating and structuring various investments, such as the acquisition and subsequent set up of the Heritage Royalty platform. Mr. Dubey started his career working for CIBC in their investment banking division within the mining group based in Toronto, Canada. He holds a Bachelors of Business Administration (Hons.) from the Schulich School of Business at York University.

Bruce Griffin is the owner of Farview Solutions Limited, a company providing consulting and advisory services to the mineral sands, titanium pigment and industrial minerals industries. Mr. Griffin has previously held senior management positions in several mining and minerals companies, including as Senior Vice President Strategic Development of Lomon Billions Group, the world's third largest producer of titanium dioxide pigments, CEO and a director of TZ Minerals International Pty. Ltd., the leading independent consultant on the global mineral sands industry, World Titanium Resources Ltd., a development stage project in Africa and as Vice President Titanium for BHP Billiton, then one of the world's leaders in the industry. In April 2021 Mr. Griffin was appointed Executive Chairman of Sheffield Resources Limited and in February 2023 was appointed as a non-executive Director for Mawson Gold Limited.

Moss Kadey is the Founder and CEO of Mossco Capital Inc., a Toronto based strategic investor specializing in consumer goods, real estate, and technology companies. He is the Chairman and Founder of Luxury Brand Partners, a Miami based creator and owner of branded consumer products in the beauty and hair care industries. Some of the brands he has been involved with from start up to eventual sale have been Bumble and Bumble, sold to Estee Lauder, Becca Cosmetics sold to Estee Lauder, Oribe Hair Care sold to Kao Industries and the North and South American owner of the Brita Water Filter rights sold to The Clorox Company. He is on the boards of numerous privately held corporations and is currently the Chairman of the Supervisory Board of Hanvest Holdings, the parent company of Brita GmbH in Germany, the world leader in household pour through water filtration systems. Mr. Kadey obtained his Chartered Accountant designation in South Africa.

Jennifer Kaufield Ms. Kaufield is an independent businesswoman with over 30 years of experience in private and public corporations both domestic and international. Ms. Kaufield was previously CFO of CVW CleanTech until June 2021. She was a director of TransGlobe Energy Corporation until the merger with Vaalco Energy in late 2022, where she served as the Chair of the Audit Committee and was a member of the of the Compensation and Corporate Governance committees. Ms. Kaufield holds a Bachelor of Administration degree, Accounting from St. Francis Xavier University, and is a Chartered Accountant (CA) and Chartered Public Accountant (CPA).

Darren Morcombe is the founder of Springtide Capital Pty. Ltd., a private investment company specializing in micro-cap listed companies, venture capital and resource-oriented companies. He has served in senior roles with Normandy Mining NL and Newmont Mining Corporation in the areas of financing, treasury and mergers and acquisitions and was the Founder, Chairman, and a major shareholder of the largest gold refinery, distribution, and finance company in the world. Mr. Morcombe is also a shareholder of several private and public companies and has more than 30 years of international experience in a variety of roles in the natural resource and finance sectors.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company's directors and executive officers, other than as disclosed below, no proposed director is, as at the date hereof, or has been, within ten years of the date hereof, a director, CEO or CFO of any company, including CVW CleanTech, that: (i) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or (ii) was subject to an event that resulted in such company, after the director or executive officer ceased to be a director, CEO or CFO of the company, being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days and which resulted from an event that occurred while that person was acting in the capacity as a director, CEO or CFO.

To the knowledge of the Company's directors and executive officers, other than as disclosed below, no proposed director is, as at the date hereof, or has been, within ten years of the date hereof, a director, CEO or CFO of any company, including CVW CleanTech, that: (i) while that person was acting in their capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy

or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

John Brussa

(i) resigned as a director of Calmena Energy Services Inc. ("**Calmena**") on June 30, 2014. On January 19, 2015, a senior lender of Calmena (the "**Senior Lender**") made an application to the Court of Queen's Bench of Alberta (the "**Court**") to appoint an interim receiver under the *Bankruptcy and Insolvency Act* (Canada) and trading in the common shares of Calmena was suspended by the Toronto Stock Exchange. On January 20, 2015, the Senior Lender was granted a receivership order by the Court:

(ii) was a director of Enseco Energy Services Corp. ("**Enseco**"), a public oilfield service company, which was placed in receivership on October 14, 2015 and, in connection therewith, a receiver was appointed under the *Bankruptcy and Insolvency Act* (Canada). Mr. Brussa resigned as a director of Enseco on October 14, 2015. On December 21, 2015 Enseco was assigned into bankruptcy by the receiver;

(iii) was a director of Argent Energy Ltd. which was the administrator of Argent Energy Trust. On February 17, 2016, Argent Trust and its Canadian and United States holding companies (collectively "**Argent**") commenced proceedings under the *Companies' Creditors Arrangement Act* ("**CCAA**") for a stay of proceedings until March 19, 2016. On the same date, Argent filed voluntary petitions for relief under Chapter 15 of the United States Bankruptcy Code ("**Chapter 15**"). On March 9, 2016, the stay of proceedings under the CCAA was extended until May 17, 2016. Additionally on March 10, 2016 the U.S. Bankruptcy Court approved an order recognizing the CCAA as the foreign main proceedings under Chapter 15. Mr. Brussa resigned on June 30, 2016;

(iv) resigned as a director of Twin Butte Energy Ltd. ("**Twin Butte**") on September 1, 2016. On September 1, 2016, the senior lenders of Twin Butte (the "**Senior Lenders**") made an application to the Court to appoint a receiver and manager over the assets, undertakings and property of Twin Butte under the *Bankruptcy and Insolvency Act* (Canada) and trading in the common shares of Twin Butte was suspended by the Toronto Stock Exchange. On September 1, 2016, the Senior Lenders were granted a receivership order by the Court; and

(v) was a director of Virginia Hills Oil Corp. ("**VHO**"), a TSX-V listed oil and gas company. On February 13, 2017, VHO received a demand notice and notice of intention to enforce security from its lenders and agreed to consent to the early enforcement of the lenders' security and the appointment of a receiver over all of the current and future assets, undertakings and properties of VHO. The receiver was appointed on February 13, 2017. Mr. Brussa resigned as a director of VHO on February 24, 2017.

No proposed director has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Advance Notice By-laws

The Company has adopted advance notice by-laws (the "**AVN By-laws**") which provide that advance notice to the Company must be made in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to: (a) a "proposal" made in accordance with the CBCA; or (b) a requisition of a meeting made pursuant to the CBCA.

The AVN By-laws fix a deadline by which Shareholders must submit director nominations to the Corporate Secretary of the Company prior to any annual or special meeting of Shareholders and outlines the specific information that a nominating Shareholder must include in the written notice to the Corporate Secretary of the Company for an effective nomination to occur. No person nominated by a Shareholder will be eligible for election as a director of the Company unless nominated in accordance with the provisions of the AVN By-laws.

In the case of an annual meeting of Shareholders, notice to the Corporate Secretary of the Company must be made not earlier than the 65th day and not less than 30 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement. In the case of a special meeting of Shareholders (which is not also an annual meeting), notice to the Company must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

In the event of an adjournment or postponement of an annual meeting or special meeting of Shareholders or any announcement thereof, a new time period will not commence for the giving of timely notice.

The Board may, in its sole discretion, waive any requirement of the advance nomination of directors provisions of the AVN By-laws.

Majority Voting for Directors

The Board has adopted a policy stipulating that if the votes "for" the election of a director nominee at a meeting of Shareholders are fewer than the number voted "withheld", the nominee is expected to submit his or her resignation promptly after the meeting for the consideration of the Board. The Board will then decide whether to accept or reject the resignation. The Board's decision to accept or reject the resignation will be disclosed to the Shareholders. The nominee will not participate in any Board deliberations whether to accept or reject the resignation. The Company's majority voting policy does not apply in circumstances involving contested director elections.

Unless a proxy specifies that the Shares it represents should be voted against fixing the number of directors of the Company at six (6), the proxy holders named in the accompanying proxy intend to use it to vote FOR fixing the number of directors of the Company at six (6). Additionally, unless a proxy specifies that the Shares it represents should be withheld from voting in the election of directors, the proxy holders named in the accompanying proxy intend to use it to vote FOR the election of the nominees as directors of the Company.

Appointment of Auditor

The persons designated in the enclosed form of proxy intend to vote for the appointment of PricewaterhouseCoopers LLP as auditor of the Company to hold office until the next annual meeting of Shareholders and to authorize the Board to fix its remuneration as such. PricewaterhouseCoopers LLP was first appointed as auditor of the Company on February 23, 2006.

Unless a proxy specifies that the Shares it represents should be withheld from voting in the appointment of the auditor, the proxy holders named in the accompanying proxy intend to use it to vote FOR the appointment of PricewaterhouseCoopers LLP as auditor of the Company to hold office until the close of the next annual meeting of Shareholders at a remuneration to be fixed by the Board.

Approval of the EIP

A summary of the shares reserved and authorized for issuance under the Company's stock option plan, RSU plan and DSU plan (each, a "Legacy Plan", and collectively, the "Legacy Plans") as at December 31, 2022 is presented in the table below:

Description	Units Outstanding	Weighted-average exercise price	Percentage of issued and outstanding common shares
Common shares issued and outstanding	122,798,563		
10% of issued and outstanding common shares	12,279,856		
Outstanding DSUs	1,018,811	N/A	0.83%
Outstanding RSUs	941,248	N/A	0.77%
Outstanding stock options	8,335,000	\$1.03	6.78%
Total outstanding share based awards	10,295,059		8.38%
Available room in the plans	1,984,797		1.62%

There are no Stock Options, DSUs or RSUs outstanding under equity compensation plans not approved by Shareholders.

The Legacy Plans provide that Stock Options, RSUs and DSUs may be issued to directors, officers, employees, or consultants of the Company. The Legacy Plans are "rolling" plans, whereby the number of Shares issuable under the Legacy Plans, together with all the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Shares.

The Company is proposing to replace the Legacy Plans with a new EIP, which is a rolling 10% plan that consolidates the Legacy Plans into one omnibus EIP providing for the grant of DSUs, RSUs and Stock Options. The consolidation of the Legacy Plans into the EIP is expected to reduce the administrative burden of managing three separate plans, reduce costs associated with such administration, and provide greater transparency to Shareholders by simplifying the information about the security-based compensation arrangements of the

Company into one accessible document. All prior awards under the Legacy Plans will be continued under the provisions of the EIP.

The purpose of the EIP is to align the interests of those directors, officers, employees and consultants designated by the Board as being eligible to participate in the EIP with those of the Company and its shareholders and to assist in attracting, retaining and motivating key employees by making a portion of the incentive compensation of participating employees directly dependent upon the achievement of key strategic, financial and operational objectives that are critical to ongoing growth and increasing the long-term value of the Company. In particular, the EIP is designed to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of directors, key employees and consultants of the Company; (b) encouraging such directors, key employees and consultants to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such directors, key employees and consultants with the interests of the Company and Shareholders.

Grants under the EIP are available to directors, officers, key employees, and consultants of the Company, as determined by the Board. The aggregate number of Shares the Company proposes to be issuable under the EIP is 10% of the current issued and outstanding Common Shares, or 12,446,606 as of the Record Date, which is the same number as under the Legacy Plans.

The full text of the EIP is enclosed to this Circular as Schedule "B". A copy of the EIP will also be available upon request from the Company's Corporate Secretary at 800, 736 - 8 Avenue SW, Calgary, Alberta, T2P 1H4. Shareholders are encouraged to review the full text of the EIP.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the following ordinary resolution to approve the EIP (the "**Plan Resolution**"):

"BE IT RESOLVED THAT:

1. the EIP, be, and is hereby, ratified, affirmed and approved until the next annual shareholder meeting of the Company;
2. the form of the EIP may be amended in order to satisfy the requirements or requests of any regulatory authorities or stock exchange without requiring further approval of the Shareholders;
3. any director or officer of the Company is hereby authorized to execute and deliver and to do all such other acts and things as such director or officer may determine to be necessary or advisable in connection with the foregoing resolution; and
4. notwithstanding that this resolution has been passed by the Shareholders of the Company, the adoption of the proposed EIP is conditional upon receipt of final approval from the TSX Venture Exchange and the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the Shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors."

The Board has concluded that the approval of the EIP is in the best interests of the Company. **Accordingly, the Board unanimously recommends that Shareholders ratify, confirm, and approve the EIP by voting FOR the Plan Resolution at the Meeting. Proxies received in favour of Management will be voted in favour of the Plan Resolution unless the Shareholder has specified in the proxy that his or her Shares are to be voted against such resolution.**

Other Matters

Management knows of no other matters to come before the Meeting other than the matters referred to in the notice of the Meeting. **HOWEVER, IF ANY OTHER MATTERS WHICH ARE NOT NOW KNOWN TO MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, THE PROXY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSON OR PERSONS VOTING THE PROXY.**

STATEMENT OF EXECUTIVE COMPENSATION

Background

The Company has developed a suite of technologies called Creating Value from Waste™ (“CVW™”) that recovers bitumen, solvents, heavy minerals, and water from oil sands froth treatment tailings. The Company expects that the recovery of bitumen, associated solvents and water will result in important and timely environmental improvements for the oil sands industry including a material reduction in greenhouse gas emissions as well as enhanced tailings management. Recovering additional bitumen from the existing froth tailings stream will provide incremental revenue, helping achieve better netbacks while reducing the environmental footprint of oil sands mining operations.

During 2022, the Shareholders of Titanium Corporation Inc. voted in favour of amending its articles to change its legal name to CVW CleanTech Inc. CVW CleanTech continued to partner with government and successfully secured a grant with the Clean Resources Innovation Network. The grant was intended to fund detailed engineering and procurement of key equipment required for the tailings distillation units within the CVW™ technology. CVW CleanTech welcomed its new CEO in September 2022. Throughout the year, CVW CleanTech maintained its discussions with Canadian Natural, a senior oil and natural gas production company, with operations in in Western Canada, the U.K. portion of the North Sea and offshore Africa.

All disclosure provided herein is for the Company's most recently completed financial year, being December 31, 2022.

Compensation Committee

In order to assist the Board in fulfilling its oversight responsibilities regarding human resource and compensation matters, the Board has established the Compensation Committee. During 2022, the Compensation Committee was comprised of all non-executive members of the Board of Directors. Mr. Bruce Griffin acted as the Committee Chairperson. Mr. Griffin, Mr. Moss Kadey, Mr. John Brussa and Mr. Darren Morcombe were all considered independent within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”). Ms. Jennifer Kaufield is not considered independent within the meaning of NI 58-101 until May 2024, due to her prior role as CFO and Vice President, Finance with CVW CleanTech.

During the period from April 1, 2022 to September 14, 2022, Mr. Morcombe acted as the interim CEO. To ensure there was independent leadership in any circumstances where Mr. Morcombe could have been considered conflicted, Mr. Brussa was named as the lead independent director on April 1, 2022. Mr. Brussa has remained in this role to date. Mr. Morcombe received no salary or similar additional compensation for acting as the interim CEO. Consistent with the compensation arrangement for all directors, Mr. Morcombe did receive \$1,200 CAD per day spent on Company business. Mr. Dubey was appointed CEO of the Company September 14, 2022.

Mr. Griffin has extensive experience in the mining industry, having provided consulting and advisory services to the mineral sands, pigment and industrial minerals industries for many years and having previously held senior management positions in several mining and minerals companies.

The Board recognizes the importance of appointing knowledgeable and experienced individuals to the Compensation Committee; in particular, those who have the necessary background in executive compensation and risk management in order to fulfill the Compensation Committee's obligations to the Board. All current members of the Compensation Committee bring strong business and industry knowledge to the committee and have experience as senior leaders of successful organizations.

The Compensation Committee's responsibilities include recommending to the Board for approval the remuneration of the CEO, including salary, bonus, options and any other incentive plan; the annual compensation budget for staff of the Company; the number of common shares to be reserved under the EIP; the number of securities to be granted pursuant to the EIP; salaries, target bonus awards, other incentive awards and options for the officers of the Company; implementation of, or changes to, compensation and benefits policies; and administering the EIP.

In establishing the Company's executive compensation program, the Compensation Committee considers the implication of the risks associated with the Company's compensation program, including the risk of executives taking inappropriate or excessive risks; the risk of inappropriate focus on achieving short term goals at the expense of long term returns to Shareholders; and the risk of encouraging aggressive accounting practices.

While no program can fully mitigate these risks, the Company believes that many of these risks are mitigated by: weighting the Company's long term incentives towards share ownership and vesting the Company's long term incentives over a number of years and performance criteria; establishing a uniform incentive program for all executive officers and employees; avoiding narrowly focused performance goals which may encourage loss of focus on providing long term Shareholder returns and retaining adequate discretion to ensure that the Compensation Committee and the Board retain their business judgment in assessing actual performance; and establishing a strong "tone at the top" for accounting, regulatory, environmental and health and safety compliance.

No compensation consultant or advisor has at any time since the Company's most recently completed financial year, been retained to assist the Board or the Compensation Committee in determining compensation for any of CVW CleanTech's directors or executive officers.

Compensation Philosophy and Objectives

The Company's overall compensation philosophy is that executives should be compensated for performance in their position and for achievement of additional personal and corporate objectives. The main objective of the Company's compensation program is to attract, motivate and retain highly qualified and competent executives, consistent with general sector practices, while specifically recognizing the size of the Company and its stage of development. The Company's compensation program also has an objective of aligning the interests of executives with those of Shareholders. The Company's compensation program is designed to reward executives for performance in their position and for achievement of general personal and corporate objectives in a manner consistent with the Company's strategic plan, including further development of the Company and achieving Shareholder returns.

Elements of Compensation

The elements of compensation generally awarded to, earned by, paid to or payable to Named Executive Officers (“NEOs”) (as hereinafter defined) are as follows: (i) a base salary; (ii) a short term incentive in the form of a cash bonus and/or awards of RSUs; (iii) a long term incentive in the form of stock options, DSUs and RSUs; and (iv) retention bonuses for certain NEOs in the form of a cash bonus and/or award of RSUs. As at December 31, 2022, the Company had the following NEOs: (i) Mr. Akshay Dubey, CEO; (ii) Ms. Ingrid Meger, Vice President, Finance and CFO; and (iii) Mr. Kevin Moran, Executive Vice President, Chief Technology Officer (“CTO”).

Generally, the Compensation Committee considers a broad range of factors when setting overall compensation for the NEO and each element of compensation, including but not limited to what is required to recruit and retain the NEOs who are critical to the success of the Company; what general sector compensation practices are; what the Company can afford; what is necessary to incentivize individual and corporate performance; and what is necessary to align the interests of NEOs with those of Shareholders on a longer term basis.

Base Salary

Base salary is intended to provide NEOs with basic compensation consistent with the individual's level of responsibility, skills, knowledge, and experience; the contribution expected from each individual; and general sector compensation practices for individuals in the applicable position, all with a view to attracting and retaining the NEOs. In some circumstances, the level of base salary may affect the Company's decisions relating to short term incentives (i.e., cash bonuses) given that, in some cases, bonuses are payable as a percentage of base salary (i.e., if performance criteria are achieved).

Short Term Incentives

The Company may award short term incentives to NEOs from time to time based on their annual performance. Short term incentive compensation is intended to motivate and incentivize NEOs to meet certain shorter term personal and corporate objectives, which vary from individual to individual, from year to year. The Compensation Committee communicates to the NEOs the key accomplishments it wishes to reward in a given year, such as individual achievements, research and development success, specific progress during the year on advancing the Company's commercialization of its technology, and overall cost management. These short term incentives are intended to ensure that a portion of NEO compensation correlates with corporate objectives and

varies with actual performance in a given year. In some circumstances, a maximum level of bonus (expressed as a percentage of base salary) or a set amount upon achievement of a specified goal is included in an employment agreement with a NEO (see "*Summary Compensation Table – Discussion – Employment Agreements*"), but generally the award of short term incentives is at the discretion of the Board, based upon the recommendations of the Compensation Committee.

The Company's process for awarding short term incentives to NEOs varies depending on the circumstances. From time to time, the CEO will present the Compensation Committee with the performance of certain other NEOs and will make recommendations to the Compensation Committee regarding possible bonuses to such NEOs to reward them for specific performance.

Annually, the Compensation Committee will then consider and determine whether to recommend such awards to the Board for approval. The Compensation Committee also independently considers whether awards of short term incentives should be made to the CEO.

The Company grants short term incentives in the form of cash bonuses and utilizes its EIP to provide non-cash incentives to its NEOs. Throughout the period from 2013 through 2020, there was greater reliance on the use of RSUs to compensate the Company's officers. This strategy was, in part, done to conserve cash and working capital.

As noted above, the Compensation Committee was reconstituted on January 18, 2022, following completion of an equity offering which closed on January 12, 2022. During the period up to May 10, 2022, the Compensation Committee undertook analysis and research regarding the Company's compensation plans. The Committee's goal is to ensure that the compensation package is aligned with corporate strategies to commercialize the CVW™ technologies. The Committee has therefore not had the ability to determine whether variable compensation will be a significant part of compensation for the NEOs for general achievement of individual and corporate objectives going forwards (see "*Summary Compensation Table – Discussion – Employment Agreements*").

Long Term Incentives

The Company may award long term incentives in the form of stock options, DSUs and RSUs from time to time. Long term incentive compensation is intended to ensure a commonality of interests between the NEOs and the Company's Shareholders. The forms of long term incentives are intended to ensure that a portion of a NEO's compensation is tied to the growth in the value of the common shares over the longer term. This is the high risk, high return component of the Company's executive compensation program because the value received by the NEO for such awards correlates to the market value of the Company's common shares. In some circumstances, an initial grant of stock options and/or RSUs to a new NEO or a future grant of such awards upon achievement of a specified goal may be included in an employment agreement with a NEO (see "*Summary Compensation Table – Discussion – Employment Agreements*"), but in most circumstances, the award of long term incentives is at the discretion of the Board.

The process by which the Company grants stock options, DSUs and/or RSUs for long term incentive purposes to NEOs varies depending on the circumstances. Annually, the CEO will present the Compensation Committee with the performance of certain other NEOs and will make recommendations to the Compensation Committee regarding possible grants to such NEOs to reward them for specific performance. The Compensation Committee

will then consider and determine whether to recommend such grants to the Board for approval. The Compensation Committee also independently considers from time to time whether grants should be made more generally to NEOs or to specific NEOs to incentivize performance over the longer term. For the CEO, the Compensation Committee considers the steps required to achieve the Company's strategic plan, the CEO's performance to date, and the number of awards judged necessary to retain the CEO.

Finally, the Compensation Committee also considers and determines whether to recommend to the Board for approval grants to new NEOs when employment agreements are being negotiated by the CEO on behalf of the Company.

In setting or amending the plans for such awards, the Compensation Committee takes into account the recommendations of senior Management, including the NEOs. Previous grants of such awards are taken into account when considering new grants. Details regarding the plans for stock options, DSUs and RSUs are set out below.

Equity Compensation Plans

The Legacy Plans, and going forward, the EIP, are used to attract, retain, and incentivize qualified and experienced personnel. This is an important part of the Company's long-term incentive strategy for its NEOs, as well as for its other directors, officers, other Management, employees and consultants (collectively, "**eligible persons**"), aligning their interests with those of Shareholders and permitting them to participate in any appreciation of the market value of the Company's common shares over a stated period of time. The EIP is designed to foster a proprietary interest in stock ownership, and to reinforce a commitment to the Company's long-term growth, performance, and success as well as increasing Shareholder value.

The Compensation Committee reviews the grant of Awards to eligible persons from time to time, based on various factors such as their level of responsibility and their role and importance in the Company achieving its corporate goals, objectives, and prospects, and increasing Shareholder value. Previous grants of Awards are taken into account when considering new grants of Awards.

Perquisites and Personal Benefits

NEOs who are employees of the Company are eligible to participate in the Company's various benefit programs on the same basis as other employees of the Company. Those NEOs receive the following perquisites and personal benefits: a corporate contribution to the employee's registered retirement savings account at an amount equal to 5% of the employee's base salary; and participation in the Company's group benefits plan. For information regarding perquisites and personal benefits relating to specific NEOs, see "*Summary Compensation Table – Discussion – Employment Agreements*". While these perquisites and personal benefits do not significantly affect the Company's decisions about other elements of compensation, the Compensation Committee considers such perquisites and personal benefits necessary to attract highly qualified individuals at the executive level.

Termination and Change of Control Provisions

All of the NEOs have termination and change of control provisions in their employment agreements. The events that trigger payment under these arrangements were determined through negotiation of such employment agreements at the time they were entered into. See also "Employment Agreements" and "Termination and Change of Control Benefits" below.

Summary Compensation Table

The following table (presented in accordance with Form 51-102F6V – Statement of Executive Compensation under National Instrument 51-102 – *Continuous Disclosure Obligations* ("NI 51-102")) sets forth all direct and indirect compensation for, or in connection with, services provided to the Company for the fiscal years ended December 31, 2022 and December 31, 2021 in respect of the CEO, the CFO, and the next highest compensated executive officer of the Company.

Name and position	Year	Salary, consulting fee or retainer (\$)	Bonus (\$)	Value of perquisites ⁽⁸⁾ (\$)	Value of all other compensation (\$)	Total compensation (\$)
Akshay Dubey <i>CEO</i> ⁽¹⁾	2022	95,694	-	5,124	8,820	109,638
Darren Morcombe <i>Interim CEO</i> ⁽⁷⁾	2022	-	-	-	29,700	29,700
Scott Nelson <i>Former President and CEO</i> ⁽²⁾	2022	68,000	-	3,270	308,528	379,798
	2021	260,000	-	12,000	18,586	290,586
Ingrid Meger <i>Vice President, Finance and CFO</i> ⁽³⁾	2022	211,129	-	-	-	211,129
	2021	28,200	-	-	-	28,200
Hansine Ullberg <i>Former Vice President, Finance and CFO</i> ⁽⁴⁾	2021	85,275	-	-	3,702	88,977
Jennifer Kaufield <i>Former Vice President, Finance and CFO</i> ⁽⁵⁾	2022	15,000	-	-	96,000	111,000
	2021	117,206	-	-	4,283	121,489

Name and position	Year	Salary, consulting fee or retainer (\$)	Bonus (\$)	Value of perquisites ⁽⁸⁾ (\$)	Value of all other compensation (\$)	Total compensation (\$)
Kevin Moran <i>Executive Vice President and CTO⁽⁶⁾</i>	2022	275,000	-	16,214	235,000	526,214
	2021	275,000	-	21,850	-	296,850

Notes:

- (1) Mr. Dubey was appointed CEO and Director effective September 14, 2022. Compensation noted reflects pay from September 14, 2022 through to December 31, 2022. Moving expenses of \$8,820 were paid by the Company on Mr. Dubey's behalf to relocate from Toronto, Ontario to Calgary, Alberta. Mr. Dubey did not receive any compensation in his role as a director of the Company.
- (2) Mr. Nelson retired from CVW CleanTech effective March 31, 2022. Mr. Nelson did not receive any compensation in his role as a director of the Company. He was paid a \$200,000 retiring allowance upon departure from the Company. He also received a payment of \$108,528 in 2022, reflecting the payment of deferred compensation liability which was earned in 2019.
- (3) Ms. Meger joined the Company as Vice President, Finance and CFO on November 1, 2021. She departed the Company effective May 29, 2023. She was compensated as a contractor throughout her term with CVW CleanTech and received no perquisites.
- (4) Ms. Ullberg joined the Company as Vice President, Finance and CFO on June 1, 2021 and resigned effective November 1, 2021.
- (5) Ms. Kaufield retired from the position of Vice President, Finance and CFO of the Company effective June 1, 2021. Ms. Kaufield provided CVW CleanTech with support and transition services in 2022 as a member of management, prior to her appointment to the Board. In 2022 Ms. Kaufield received a payment of \$96,000, reflecting the payment of deferred compensation liability which was earned in 2019 and 2020.
- (6) Mr. Moran received a \$100,000 retention bonus, which was payable at December 31, 2022. Mr. Moran also received a payment of \$135,000 in 2022, reflecting his share of the deferred compensation liability which was earned in 2019 and 2020.
- (7) Mr. Morcombe acted as interim CEO between the time period of April 1, 2022 to September 14, 2022. Mr. Morcombe received no salary or similar additional compensation for acting as the interim CEO. Consistent with the compensation arrangement for all directors, Mr. Morcombe did receive \$1,200 CAD per day spent on Company business.
- (8) Perquisites include the taxable portion of employee health benefits, an employee health spending account, and employer paid RRSP contributions up to 5% of earnings.

Discussion

Significant factors necessary to understand the information disclosed in the Summary Compensation Table above include the terms of each NEO's employment/consulting agreement.

Employment Agreements

Akshay Dubey – CVW CleanTech entered into an employment agreement with Akshay Dubey as CEO effective September 14, 2022. His annual base salary is \$325,000. He is eligible for an annual bonus commencing in 2023, based on the sole discretion of the Board of Directors. The value of the annual incentive bonus shall not exceed the annual base salary for the calendar year. Any annual incentive bonus may be paid in cash, RSUs or other equity instruments.

Mr. Dubey was granted 5 million stock options at the commencement of his employment. These stock options vest if certain conditions are fulfilled. If the market price of the Company's shares trade at or above \$3.60 for 90 consecutive trading days, all 5 million options will vest and be exercisable. If the Company enters into a memorandum of understanding to construct a CVWTM oilsands facility, the options will vest in tranches as successive milestones in the project development, financing and commissioning occur. There is a minimum hold period of 18 months before these options may vest. Of these options, 2.4 million are exercisable at \$1.27 each, and 2.6 million are exercisable at \$1.35 each. The options have 5 year term to expiry.

Mr. Dubey was required to invest a minimum of \$250,000 in the Company's shares as part of his employment contract. He participated in a private placement which closed in October 2022, fulfilling this condition. His investment was undertaken at the same price and terms as other investors in that private placement.

As CEO, Mr. Dubey's performance objectives are agreed annually and reviewed by the Compensation Committee. For the fiscal year ended December 31, 2022, a corporate development plan was under development to permit goals to be implemented for the following calendar year.

Scott Nelson – The Company entered into an employment agreement with Scott Nelson as President and CEO effective January 1, 2010. Pursuant to this agreement, Mr. Nelson's employment could continue indefinitely until terminated in accordance with the terms of the employment agreement. Mr. Nelson's annual base salary under the agreement was \$300,000, which was reviewed annually October 31, 2011, it was determined by the Company that Mr. Nelson's base pay was increased to \$325,000 per annum effective January 1, 2012. Effective May 1, 2015, as a part of the Company's cost savings measures, Mr. Nelson voluntarily elected to receive 20% of his annual salary in the form of RSUs, which amount was agreed to be paid quarterly. Effective January 1, 2018, the Compensation Committee determined that Mr. Nelson would receive \$31,250 of his annual salary in the form of RSUs, which amount was agreed to be paid quarterly. The Company reached its RSU 2% limit during the fiscal year of 2018 and Mr. Nelson received \$23,400 in the form of RSUs. Effective January 1, 2019 the Company determined that it would reinstate Mr. Nelson's base salary to \$325,000. Effective April 1, 2020, Mr. Nelson voluntarily reduced his salary by 20% in response to the uncertainty created by the COVID-19 pandemic and the resulting economic uncertainties.

Mr. Nelson was eligible for an annual bonus of up to 65% of his annual base salary. The granting and amount of any such annual bonus is in the sole discretion of the Board.

As CEO, Mr. Nelson's specific objectives were set annually and reviewed by the Compensation Committee. For the fiscal year ended December 31, 2021, such specific objectives included developing strategic and annual business plans; program formulation and advancement of the Company's commercialization and

implementation of its technology at an oil sands site; arranging grant funding for research and development and engineering programs; managing programs to budget targets and reducing overhead costs.

Effective March 31, 2022, Mr. Nelson retired as President and CEO of the Company. A company which he controls has entered into a consulting agreement with the Company to provide services through February 2025, at a rate of \$115,000 per annum.

Ingrid Meger – The Company entered into a consulting agreement with Ingrid Meger as Vice President, Finance and CFO effective November 1, 2021. The consulting agreement provides for ongoing professional fees, continuing indefinitely, until terminated in accordance with the agreement. Ms. Meger's compensation is based upon an hourly rate of \$150.00. The granting of any additional pay in the form of a bonus or service award, is at the sole discretion of the Board.

Hansine Ullberg – The Company entered into a consulting agreement with Hansine Ullberg as Vice President, Finance and CFO effective June 1, 2021. The consulting agreement provided for ongoing professional fees, continuing indefinitely, until terminated in accordance with the agreement. Ms. Ullberg's compensation was based upon an hourly rate of \$150.00.

Effective November 1, 2021, Ms. Ullberg resigned as the Vice President, Finance and CFO of the Company.

Jennifer Kaufield – The Company entered into an employment agreement with Jennifer Kaufield as Vice President, Finance and CFO effective March 1, 2010. The agreement provided that her employment would continue indefinitely until terminated in accordance with the agreement. Ms. Kaufield's compensation was based on a daily rate of \$960 since 2011, which was reviewed annually thereafter. Effective September 1, 2016, the Company amended Ms. Kaufield's employment agreement to, inter alia, provide for: (i) her to receive 20% of her annual salary in the form of RSUs, which amount was agreed to be paid quarterly; and (ii) her eligibility for an annual bonus of up to 40% of her daily salary aggregated over a 12 month period.

Effective January 1, 2018, the Compensation Committee determined that Ms. Kaufield's hourly effective rate would be \$138 per hour and would be paid in cash. The granting and amount of any annual bonus was in the sole discretion of the Board. Ms. Kaufield was entitled to receive vacation pay equal to 5% of the daily salary paid and a monthly payment by the Company of a contribution to her retirement savings plan in an annual amount that is equal to 5% of the daily salary paid.

Effective June 1, 2021, Ms. Kaufield retired as the Vice President, Finance and CFO of the Company. Ms. Kaufield provided CVW CleanTech with support and transition services in 2022 as a member of management, prior to her appointment to the Board.

Kevin Moran – The Company entered into an employment agreement with Kevin Moran as Vice President, Process Development effective June 30, 2008. Mr. Moran was subsequently promoted to Executive Vice President and CTO. Mr. Moran's employment agreement provides that his employment shall continue indefinitely until terminated in accordance with the agreement. Mr. Moran's base salary was increased incrementally to \$275,000. Mr. Moran's annual base salary is reviewed annually and may, in the discretion of the Board, be increased.

Mr. Moran is eligible for an annual bonus of up to 40% of his annual base salary. The granting and amount of any such annual bonus is in the sole discretion of the Board. Specific achievement objectives are set and reviewed annually. Such objectives included technical management and advancement of engineering and validation programs, and planning and execution of commercialization plans; intellectual property management; and grant funding management. In January 2022, the deferred compensation owed to Mr. Moran was settled in cash.

Incentive Plan Awards – Outstanding Option based Awards

The following table sets forth for each NEO all awards outstanding as at the end of the most recently completed fiscal year, including awards granted before the most recently completed fiscal year.

Name	Option-based Awards				Share-based Awards		
	Securities under options granted (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽⁵⁾ (\$)
Akshay Dubey <i>CEO</i> ⁽²⁾⁽³⁾	2,400,000 2,600,000	1.27 1.35	Sep 14, 2027 Sep 20, 2027	n/a n/a	-	-	-
Darren Morcombe <i>Interim CEO</i> ⁽⁹⁾	-	-	-	-	-	-	-
Scott Nelson <i>Former President and CEO</i> ⁽⁶⁾	300,000 200,000	0.80 0.69	Apr 30, 2023 Jun 9, 2024	111,000 96,000	-	-	-
Ingrid Meger <i>Vice President, Finance and CFO</i> ⁽⁴⁾⁽⁷⁾	100,000	0.46	Jan 18, 2027	71,000	-	-	-

Option-based Awards					Share-based Awards		
Name	Securities under options granted (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽⁵⁾ (\$)
Hansine Ullberg <i>Former Vice President, Finance and CFO</i>	-	-	-	-	-	-	-
Jennifer Kaufield <i>Former Vice President, Finance and CFO⁽⁸⁾</i>	50,000	0.69	Jun 9, 2024	24,000	-	-	489,300
Kevin Moran <i>Executive Vice President and CTO⁽⁴⁾</i>	200,000 150,000 200,000	0.80 0.69 0.46	Apr 30, 2023 Jun 9, 2024 Jan 18, 2027	74,000 72,000 142,000	-	-	611,900

Notes:

- (1) The value of unexercised options was calculated using the closing price of the common shares on December 31, 2022, which was \$1.17 per common share, less the exercise price of the options.
- (2) On September 14, 2022, the Board of Directors granted 2.4 million stock options to Mr. Dubey. See The exercise price of the stock options is \$1.27 per share. These stock options vest if certain conditions are fulfilled. If the market price of the Company's shares trade at or above \$3.60 for 90 consecutive trading days, all 2.4 million options will vest and be exercisable. If the Company enters into a contract to construct a CVWTM oilsands facility, the options will vest in tranches as successive milestones in the

project development, financing and commissioning occur. There is a minimum hold period of 18 months before these options may vest.

- (3) On September 20, 2022, the Board of Directors granted 2.6 million stock options to Mr. Dubey. The exercise price of the stock options is \$1.35 per share. These stock options vest if certain conditions are fulfilled. If the market price of the Company's shares trade at or above \$3.60 for 90 consecutive trading days, all 2.6 million options will vest and be exercisable. If the Company enters into a contract to construct a CVW™ oilsands facility, the options will vest in tranches as successive milestones in the project development, financing and commissioning occur. There is a minimum hold period of 18 months before these options may vest.
- (4) On January 18, 2022, the Board of Directors granted 4,500,000 stock options to directors and officers of the Company. The exercise price of the stock options is \$0.46 per share, with specific performance and market based criteria required for vesting to occur. The share price at the grant date was \$0.46 per share, and the stock options have a term to expiry of 5 years. Mr. Moran was granted 200,000 options and Ms. Meger was granted 100,000 options.
- (5) The value of RSUs was calculated using the closing price of the common shares on December 31, 2022, which was \$1.17 per Share. This value was included within the share-based awards section.
- (6) Mr. Nelson retired from the position of President and CEO effective March 31, 2022.
- (7) Ms. Meger joined the Company as Vice President, Finance and CFO on November 1, 2021 and departed the Company effective May 29, 2023.
- (8) Ms. Kaufield retired from the position of Vice President, Finance and CFO of the Company effective June 1, 2021.
- (9) Mr. Morcombe acted as interim CEO between the time period of April 1, 2022 to September 14, 2022. Mr. Morcombe did not receive any stock options or RSUs in his capacity as interim CEO.

Incentive Plan Awards – Awards Exercised During the Year

The following table sets forth details of the awards exercised during the most recently completed fiscal year.

Name	Number of Options (#)	Exercise Price (\$)	Realized Gain (\$)
Akshay Dubey <i>CEO⁽¹⁾</i>	-	-	-
Scott Nelson <i>Former President and CEO⁽²⁾</i>	300,000	1.07	84,000
Ingrid Meger <i>Vice President, Finance and CFO⁽³⁾</i>	-	-	-
Hansine Ullberg <i>Former Vice President, Finance and CFO</i>	-	-	-

Name	Number of Options (#)	Exercise Price (\$)	Realized Gain (\$)
Jennifer Kaufield	150,000	1.07	31,500
<i>Former Vice President, Finance and CFO⁽⁴⁾</i>	200,000	0.80	54,000
	100,000	0.69	38,000
Kevin Moran	250,000	1.07	70,000
<i>Executive Vice President and CTO</i>			

Notes:

- (1) Mr. Dubey was appointed CEO and Director effective September 14, 2022.
- (2) Mr. Nelson retired from the position of President and CEO effective March 31, 2022.
- (3) Ms. Meger joined the Company as Vice President, Finance and CFO on November 1, 2021.
- (4) Ms. Kaufield retired from the position of Vice President, Finance and CFO of the Company effective June 1, 2021.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned during the most recently completed fiscal year for each incentive plan award.

Name	Option-based awards - Value vested during the year⁽¹⁾ (\$)	Share-based awards - Value vested during the year⁽²⁾ (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Akshay Dubey <i>CEO⁽³⁾</i>	-	-	-
Scott Nelson <i>Former President and CEO⁽⁴⁾</i>	32,000	-	-
Ingrid Meger <i>Vice President, Finance and CFO⁽⁵⁾</i>	71,000	-	-
Hansine Ullberg <i>Former Vice President, Finance and CFO</i>	-	-	-
Jennifer Kaufield <i>Former Vice President, Finance and CFO⁽⁶⁾</i>	24,000	-	-
Kevin Moran <i>Executive Vice President and CTO</i>	166,000	-	-

Notes:

- (1) The “Options-based awards – Value vested during the year” is calculated using the closing price of the Shares of the Company on December 31, 2022 (\$1.17) less the respective exercise prices of the options multiplied by the number of options vested.
- (2) “Share-based awards – Value vested during the year” is calculated on the closing price of the Shares of the Company on December 31, 2022: \$1.17. No share-based awards were issued to the NEOs in 2022.
- (3) Mr. Dubey was appointed CEO and Director effective September 14, 2022. Mr. Dubey did not have option-based or share-based compensation that vested in the year.
- (4) Mr. Nelson retired from the position of President and CEO effective March 31, 2022.
- (5) Ms. Meger joined the Company as Vice President, Finance and CFO on November 1, 2021.
- (6) Ms. Kaufield retired from the position of Vice President, Finance and CFO of the Company effective June 1, 2021.

Discussion

The significant terms of all compensation security plan based awards, including non-equity incentive plan awards, issued or vested during the year, or outstanding at year end, are set out above under the heading “*Compensation Philosophy and Objectives*”.

Pension Plan Benefits

The Company does not have a defined benefit plan or a defined contribution plan for any of its NEOs.

Termination and Change of Control Benefits

The following contracts, agreements, plans, and arrangements provide for payments to the applicable NEOs at, following or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a change in control of the company or a change in such NEOs’ responsibilities:

Akshay Dubey – The Company may immediately terminate Mr. Dubey’s employment for “Just Cause” as that term is defined in the agreement. If Mr. Dubey’s employment is terminated other than for “Just Cause” as that term is defined in his employment agreement, the Company is required to pay Mr. Dubey: (i) the pro-rata Annual Base Salary earned for services rendered up to and including the Termination Date; (ii) any Annual Incentive Bonuses awarded but not yet paid up to and including the Termination Date; (iii) all accrued vacation pay and reimbursable expenses owing up to and including the Termination Date; and (iv) (a) lump –sum severance payment equal to the sum of the following:

- (i) twelve (12) months of the Annual Base Salary as at the Termination Date; plus
- (ii) an amount equal to the average of the Annual Incentive Bonuses, if any, paid to the Executive or awarded but not yet paid in respect of the two (2) calendar years prior to the calendar year in which the Termination Date falls, to compensate the Executive for loss of eligibility for Annual Incentive Bonuses.

Mr. Dubey was granted 5 million stock options at the commencement of his employment. If Mr. Dubey's employment is terminated within the first 18 months of his appointment, all stock options granted which have not vested will immediately vest, and be exercisable based upon the terms of the Company's EIP.

Any long-term incentive Options granted would also vest at termination. The sole discretion of and based on terms, conditions and objectives established by the Board of Directors from time to time.

Ingrid Meger – If Ms. Meger's contract is terminated by the Company other than with ninety days' prior written notice, the Company is required to pay the equivalent amount of consulting fees in lieu thereof.

Kevin Moran – The Company may immediately terminate Mr. Moran's employment for "Just Cause" as that term is defined in Mr. Moran's employment agreement. If Mr. Moran's employment is terminated other than for "Just Cause", the Company is required to pay Mr. Moran: (i) the pro rata annual base salary to the date of termination; (ii) all accrued and unused vacation pay and reimbursable expenses owing to date of termination; and (iii) a retiring allowance equal to 12 months of his annual base salary as at the termination date.

Director Compensation Table

The following table sets forth all amounts of compensation provided to the Non-Management Directors for the Company's most recently completed financial year.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Akshay Dubey ⁽²⁾	-	-	-	-	-	-	-
John Brussa	30,000	-	248,500	-	-	-	278,500
Bruce Griffin	30,000	-	474,000	-	-	6,000	510,000
Moss Kadey	30,000	-	254,100	-	-	-	284,100
Jennifer Kaufield	22,500	-	-	-	-	-	22,500
John Kowal ⁽⁴⁾	22,500	-	461,500	-	-	-	484,000
David Macdonald ⁽³⁾	-	-	8,000	-	-	-	8,000
Darren Morcombe	30,000	-	1,420,000	-	-	23,925	1,473,925
John W. Stevens ⁽³⁾⁽⁵⁾	-	-	-	-	-	-	-

Notes:

- (1) The “Options-based awards” value is calculated using the closing price of the Shares of the Company on December 31, 2022 (\$1.17) less the respective exercise prices of the options multiplied by the number of options vested.
- (2) As CEO of the Company, Mr. Dubey did not earn fees to act as a director.
- (3) Messrs. Macdonald and Stevens retired from the Board effective January 12, 2022.
- (4) Mr. Kowal passed away in October 2022.
- (5) Mr. Stevens settled 283,002 DSUs into common shares as part of his retirement from the Board. DSUs vest immediately upon grant. As the full value of these DSUs were recognized in prior years, these have been excluded from the table above.

Discussion

The value of option-based awards was calculated using the closing price of the common shares on December 31, 2022, which was \$1.17 per common share, less the exercise price of the option-based awards.

Significant factors necessary to understand the information disclosed in the Director Compensation Table above include Board fees and DSUs.

Board Fees

On January 18, 2022, the Board resolved to set director fees for non-executive directors at \$30,000 annually payable in cash. In addition, the Board determined that no additional fees will be paid to directors who serve as Chair of the Board or on Committees of the Board.

DSUs

The Company adopted the legacy DSU Plan on December 15, 2013 and the legacy DSU Plan was approved by Shareholders at the annual and special meeting held January 23, 2014 and was subsequently amended, such amendments being approved by Shareholders at the annual and special meeting held February 12, 2015. The purpose of the legacy DSU Plan, which will be subsumed by the EIP, is to promote the alignment of interests between directors and Shareholders while enabling the directors to participate in the long-term success of the Company through the grant of DSUs.

No DSUs were granted to members of the Board of Directors during the year ended December 31, 2022.

All Other Compensation

Includes a consulting fee of \$1,200 per day paid to directors for additional non-Board activities that the Company may request them to perform from time to time, subject to the prior approval of the Board.

Other Information

There were no changes to, or any repricing of, the terms of the legacy DSU Plan during the fiscal year ended December 31, 2022. Other than as described below, the Company did not have any other share based or option based award programs for Directors in place during the fiscal year ended December 31, 2022.

INCENTIVE PLAN AWARDS FOR DIRECTORS

Outstanding Option Based Awards and Share Based Awards

The following table sets forth for each Non-Management Director all awards outstanding at the end of the most recently completed fiscal year, including awards granted before the most recently completed fiscal year.

Name	Option-based Awards				Share-based Awards		
	Securities under options granted (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽²⁾ (\$)
John Brussa	122,500	0.46	Jan 18, 2027	86,975	-	-	-
Bruce Griffin	75,000 227,500	0.67 0.46	Aug 7, 2024 Jan 18, 2027	37,500 161,525	-	-	38,564
Moss Kadey	50,000 35,000 122,500	0.80 0.69 0.46	Apr 30, 2023 Jun 9, 2024 Jan 18, 2027	18,500 16,800 86,975	-	-	395,200
Jennifer Kaufield ⁽³⁾	-	-	-	-	-	-	-
David Macdonald ⁽⁴⁾	75,000 50,000	0.80 0.69	Apr 30, 2023 Jun 9, 2024	27,750 24,000	-	-	758,244
John Kowal ⁽⁵⁾	227,500	0.46	Jan 18, 2027	161,525	-	-	-
Darren Morcombe	700,000	0.46	Jan 18, 2027	497,000	-	-	-
John W. Stevens ⁽⁴⁾	-	-	-	-	-	-	-

Notes:

- (1) The value of the securities was calculated using the closing price of the common shares on December 31, 2022, which was \$1.17 per common share.
- (2) Share based awards are comprised of DSUs which were granted prior to 2022. DSUs may be exercised and converted into common shares once a director has completed their service and is no longer a member of the Board. The value of DSUs was calculated using the closing price of the common shares on December 31, 2022, which was \$1.17 per Share.
- (3) Ms. Kaufield did have option-based awards outstanding as at December 31, 2022. These options were received in her capacity as Vice President, Finance and CFO and therefore have been included within the management compensation tables.
- (4) Messrs. Macdonald and Stevens retired from the Board effective January 12, 2022.
- (5) Mr. Kowal passed away in October 2022.

Incentive Plan Awards – Awards Exercised During the Year

The following table sets forth details of the awards exercised during the most recently completed fiscal year.

Name	Number of Options (#)	Exercise Price (\$)	Realized Gain (\$)
John Brussa	227,500	0.46	168,350
Bruce Griffin	422,500	0.46	312,650
Moss Kadey	50,000	1.07	21,500
	227,500	0.46	168,350
Jennifer Kaufield ⁽¹⁾	-	-	-
John Kowal ⁽³⁾	422,500	0.46	312,650
David Macdonald ⁽²⁾	50,000	1.07	21,500
Darren Morcombe	1,300,000	0.46	962,000
John W. Stevens ⁽²⁾	50,000	1.07	42,500
	50,000	0.80	56,000
	23,333	0.69	28,699

Notes:

- (1) Ms. Kaufield did exercise options in 2022. These options were received in her capacity as Vice President, Finance and CFO and therefore have been included within the management compensation tables.
- (2) Messrs. Macdonald and Stevens retired from the Board effective January 12, 2022.
- (3) Mr. Kowal passed away in October 2022.

Incentive Plan Awards – Value Vested or Earning During the Year

The following table sets forth details of the value vested or earned by each Non-Management Director during the most recently completed fiscal year for each incentive plan award.

Name	Option-based awards - Value vested during the year⁽¹⁾ (\$)	Share-based awards - Value vested during the year⁽²⁾ (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
John Brussa	248,500	-	-
Bruce Griffin	474,000	-	-
Moss Kadey	254,100	-	-
Jennifer Kaufield ⁽³⁾	-	-	-
John Kowal ⁽⁵⁾	461,500	-	-
David Macdonald ⁽⁴⁾	8,000	-	-
Darren Morcombe	1,420,000	-	-
John W. Stevens ⁽⁴⁾	-	-	-

Notes:

- (1) The “Options-based awards - Value vested during the year” is calculated using the closing price of the Shares of the Company on December 31, 2022 (\$1.17) less the respective exercise prices of the options multiplied by the number of options vested.
- (2) “Share-based awards – Value vested during the year” is calculated on the closing price of the Shares of the Company on December 31, 2022: \$1.17.
- (3) Ms. Kaufield did have option-based awards which vested in 2022. These options were received in her capacity as Vice President, Finance and CFO and therefore have been included within the management compensation tables.
- (4) Messrs. Macdonald and Stevens retired from the Board effective January 12, 2022.
- (5) Mr. Kowal passed away in October 2022.

The significant terms of all plan based awards, including equity incentive plan awards, issued or vested, or under which options have been exercised, during the year, or outstanding at year end, are set out above in the Compensation Philosophy and Objectives.

Generally, each year the Board considers whether to grant additional options and/or DSUs to the directors. However, there are no definitive arrangements and such consideration is done after review, consideration and recommendation by the Compensation Committee.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

Other than routine indebtedness, no current or former director, officer or employee of the Company or any of its subsidiaries, proposed nominee for election as a director of the Company or any associate or affiliate of any director, officer, employee or proposed nominee is, or at any time during the most recently completed financial year was, indebted to the Company or any of its subsidiaries (in connection with a purchase of securities or otherwise) or to another entity where the indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed below and under the heading "*Statement of Executive Compensation*", no transaction has been entered into since December 31, 2022 or is proposed to be entered into by the Company involving an officer or director of the Company, a proposed nominee for election as a director of the Company, a principal Shareholder of the Company, an informed person (as such term is defined in NI 51-102) or any associate or affiliate of any such person or company which has materially affected or would materially affect the Company or any of its subsidiaries.

On January 12, 2022, the Company completed the transactions whereby the Company issued 25,000,000 units ("**January Units**") at a price of \$0.20 per January Unit for gross proceeds of \$5,000,000 (the "**January Offering**"). Certain insiders of the Company subscribed for a total of 4,625,000 January Units in the January Offering. The Company used a portion of the net proceeds of the January Offering to pay the costs of the January Offering and to settle all deferred compensation owing to current and former directors and officers in the amount of approximately \$1.13 million. The balance of the net proceeds of the January Offering is intended to be used to fund costs associated with the commercialization of the CVW™ process, including engineering and design costs and for general corporate purposes.

On October 11, 2022, the Company completed the transactions whereby the Company issued 1,166,667 units ("**October Units**") at a price of \$1.20 per October Unit for gross proceeds of \$1,400,000 (the "**October Offering**"). Each October Unit is comprised of one common share and one common share purchase warrant. Each such warrant entitles the holder thereof to acquire one common share at a price of \$1.80 per share until October 7, 2026. An insider of the Company subscribed for 208,334 October Units in the October Offering on the same terms as the other subscribers in the October Offering. The proceeds of the October Offering are expected to be used for general corporate purposes and to provide additional working capital to CVW CleanTech.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

NI 58-101 requires the Company to disclose annually in its Circular certain information relating to the Company's corporate governance practices.

Board of Directors

The Board currently consists of six (6) directors, four (4) of whom are currently considered by the Board to be "independent" within the meaning of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), thereby facilitating the Board's exercise of independent supervision over Management.

Each of the following directors are considered by the Board to be independent: John Brussa, Bruce Griffin, Moss Kadey, and Darren Morcombe.

In determining independence, the Board considers a number of factors, including, but not limited to whether any Board member's relationship with the Company could be reasonably expected to interfere with the exercise of such member's independent judgment.

Directorships

Except as set out below, none of the Company's directors are presently a director of any other issuer that is a reporting issuer (or the equivalent) in Canada or a foreign jurisdiction.

Name	Company
Akshay Dubey	None
John Brussa	Crew Energy Inc., Crown Capital Partners Inc., Cardinal Energy Inc., Coelacanth Energy
Bruce Griffin	Sheffield Resources Limited, Mawson Gold Inc.
Moss Kadey	None
Jennifer Kaufield	None
Darren Morcombe	None

Orientation and Continuing Education

The Board orients new directors by providing them with background and due diligence information, such as the minutes for the prior year's Board and Audit Committee meetings, a copy of the Exchange's Corporate Finance Manual, information respecting the Board's committees, information regarding directors' and officers' liability insurance, copies of all the Company's governance policies and a memorandum of the duties and liabilities of directors. In addition, new directors meet with the Chair, the CEO, and members of Management. The Board provides continuing education for directors by arranging for presentations from members of Management and outside advisors and circulating materials on new issues and developments, when applicable. Management presents to and refreshes the directors on the strategic plan of the Company.

Ethical Business Conduct

To encourage and promote a culture of ethical business conduct, the Board has adopted a Code of Business Conduct and Ethics (the "**Code**") that is applicable to the Company's employees, officers, and directors. The Code requires the reporting of actual or potential violations of the Code or of any law or regulation, whether committed by employees of the Company or by others associated with the Company, to the Chair of the Audit Committee, on a confidential, anonymous basis, if desired. The Audit Committee is responsible for investigating each matter so reported and for taking corrective disciplinary actions, if appropriate, up to and including termination of employment. A copy of the Code is available on SEDAR at www.sedar.com.

Nomination of Directors

The Compensation Committee is responsible for assisting the Board in carrying out its corporate governance and nomination responsibilities. The Compensation Committee's responsibilities include formulating criteria for Board membership; canvassing Board members for possible candidates; developing a list of potential candidates, as required; and recommending to the Board proposed nominees for election to the Board.

The process of identifying new candidates generally involves the Compensation Committee determining the necessary skills required for the Board, and, when a vacancy occurs, the independent directors identifying

candidates and then presenting them to the Board as a whole for consideration. The Company has not adopted any Board term limits or other specific mechanisms for Board renewal. At this time, the Board does not believe that it is in the best interest of the Company to establish term limits on a director's mandate or a mandatory retirement age. The Board is of the opinion that term limits may disadvantage the Company through the loss of beneficial contributions of directors who have developed increasing knowledge of the Company, its operations, and the industry over a period of time.

Compensation

The Compensation Committee is also responsible for assisting the Board in fulfilling its oversight responsibilities with respect to human resource and compensation matters. The Compensation Committee's responsibilities include recommending to the Board for approval the remuneration of the CEO, including salary, bonus, options and any other incentive plan; the annual compensation budget for staff of the Company; the number of Shares to be reserved under the EIP; the number of securities to be granted pursuant to the EIP; salaries, target bonus awards, other incentive awards and options for the officers of the Company; implementation of or changes to compensation and benefits policies; and administering the EIP. The process for determining compensation generally involves the Compensation Committee reviewing recommendations by Management, assessing general sector practices, and reviewing the circumstances under which compensation is warranted. Following such considerations, the Compensation Committee recommends to the Board for approval the compensation of the CEO and senior executive officers, including any grants of stock options and RSUs. For more information, see "*Statement of Executive Compensation*" in this Circular.

Other Board Committees

The Board presently has three standing committees being the Audit Committee, the Compensation Committee, and the Corporate Governance and ESG Committee.

Assessments

To satisfy itself that the Board, its committees, and its individual directors are performing effectively, the Board, through the Chair, informally determines the needs of the Company as its development proceeds and considers the requisite skills and contribution of the directors at such stage of development. To assist in this assessment, the Compensation Committee has historically facilitated a process which involves a formal director's questionnaire being provided annually to each director to review the effectiveness of the Board and to assess if it is meeting its objectives. The results of the assessment are summarized by the Corporate Secretary and provided to the Chair of the Compensation Committee as well as the Chair of the Board. The Chair of the Compensation Committee presents a summary of the results to the Board as a whole, with a discussion as to how the Board can improve its effectiveness and communicates the results of the committee assessment to each committee Chair.

Other Governance Related Policies

The Board has also adopted a Disclosure and Confidentiality Policy, an Investment Policy, an Insider Trading and Blackout Policy, Whistleblower Policy, and a Drug and Alcohol Policy.

Diversity Disclosure

The Company's Management and the members of its Board have diverse backgrounds and expertise and were selected on the belief that the Company and its stakeholders would benefit from such a broad range of talent and experiences. The Board considers merit as the key requirement for Board and executive appointments, and as such, it has not adopted any target number or percentage, or a range of target numbers or percentages, respecting the representation of women, Indigenous peoples (First Nations, Inuit, and Métis), persons with disabilities or members of visible minorities (collectively, "**members of designated groups**") on the Board or in Management roles.

The Company believes that diversity is important and thus considers diversity when reviewing, identifying, and nominating candidates to director or Management positions. The Company has adopted a written Diversity and Inclusivity Policy. The Company seeks to attract and maintain diversity at the executive and Board levels informally through the recruitment efforts of Management in discussion with directors prior to proposing nominees to the Board as a whole for consideration (also see "*Statement of Corporate Governance Practices – Nomination of Directors*").

The following table details the Company's members of designated groups on the Board and in Management roles as at July 31, 2023:

	Women		Persons with Disabilities, Indigenous Peoples & Members of Visible Minorities	
	Number	Percentage	Number	Percentage
Board of Directors	1	17%	1	17%
Management	0	-	2	40%

AUDIT COMMITTEE INFORMATION

NI 52-110 requires the Company to disclose annually in its Circular certain information relating to the Audit Committee and its relationship with the Company's independent auditors.

The Audit Committee's Charter

The Company's Audit Committee is governed by its audit committee charter, a copy of which is attached hereto as Schedule "A".

Composition of the Audit Committee

As at December 31, 2022, the Company's Audit Committee was comprised of Jennifer Kaufield, Bruce Griffin, and Darren Morcombe. All such members of the Audit Committee were "financially literate", and Mr. Griffin and Mr. Morcombe are considered "independent" as defined in NI 52-110.

Jennifer Kaufield, CPA, CA, Alberta, Canada
Audit Committee Chair

Ms. Kaufield is an independent businesswoman with over 30 years of experience in private and public corporations both domestic and international. Ms. Kaufield was previously CFO of CVW CleanTech until June 2021. She was a director of TransGlobe Energy Corporation until the merger with Vaalco Energy in late 2022, where she served as the Chair of the Audit Committee and was a member of the of the Compensation and Corporate Governance committees. Ms. Kaufield holds a Bachelor of Administration degree, Accounting from St. Francis Xavier University, and is a Chartered Accountant (CA) and Chartered Public Accountant (CPA). As Ms. Kaufield was an NEO of CVW CleanTech until June 2021, she is not considered independent under the meaning of NI 51-102. Ms. Kaufield will be considered independent once 3 years have elapsed from the date her role as an NEO is complete.

Bruce Griffin, London, United Kingdom

Mr. Griffin is the owner of Farview Solutions Limited, a company providing consulting and advisory services to the mineral sands, titanium pigment and industrial minerals industries. Mr. Griffin has previously held senior management positions in several mining and minerals companies, including as Senior Vice President Strategic Development of Lomon Billions Group, the world's third largest producer of titanium dioxide pigments, CEO and a director of TZ Minerals International Pty. Ltd., the leading independent consultant on the global mineral sands industry, World Titanium Resources Ltd., a development stage project in Africa and as Vice President Titanium for BHP Billiton, then one of the world's leaders in the industry. In April 2021 Mr. Griffin was appointed Executive Chairman of Sheffield Resources Limited and in February 2023 was appointed as a non-executive Director for Mawson Gold Limited.

Darren Morcombe, Lugano, Switzerland

Mr. Morcombe is the founder of Springtide Capital Pty. Ltd., a private investment company specializing in micro-cap listed companies, venture capital and resource-oriented companies. He has served in senior roles with Normandy Mining NL and Newmont Mining Corporation in the areas of financing, treasury and mergers and acquisitions and was the Founder, Chairman, and a major shareholder of the largest gold refinery, distribution, and finance company in the world. Mr. Morcombe is also a shareholder of several private and public companies and has more than 30 years of international experience in a variety of roles in the natural resource and finance sectors.

Given the scope and nature of the Company's business, its financial statements and the accounting issues arising therefrom, all of the members of the Audit Committee have an understanding of the accounting principles used by the Company to prepare its financial statements, have the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves and have experience in evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in section 2.4 or Part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditors, where the total amount of the fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditors in the fiscal year in which the non-audit services were provided. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

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

External Auditor Fees

The fees billed by the Company's external auditor in the years ended December 31, 2021 and 2022 for audit fees are as follows:

Fiscal Year Ended	Audit Fees (\$)	Audit-Related Fees (\$)	Tax Fees (\$)	All Other Fees⁽¹⁾ (\$)
December 31, 2022	89,000	-	-	3,000
December 31, 2021	59,000	-	-	-

Note:

- (1) Other fees include desktop review work performed by the Company's external auditor on the Company's quarterly financial statements and management's discussion and analysis.

ADDITIONAL INFORMATION

Name Change

In March, 2022 the Shareholders approved an amendment to the Company's articles to change the Company's name to "CVW CleanTech Inc.".

The Board believes that changing the name of the Company to "CVW CleanTech Inc." more accurately conveys its role as a clean technology company focused on reducing the environmental impact of oil sands froth treatment tailings and recovery of valuable hydrocarbons, heavy minerals, and water through the commercial deployment of its innovating CVW™ technologies.

Additional information relating to the Company is available on SEDAR at www.sedar.com and the Company's website at <https://cvwcleantech.com>. Financial information is provided in the Company's comparative financial statements and management's discussion and analysis for the year ended December 31, 2022. Shareholders may contact the CFO at the Company's registered office to request copies of the Company's financial statements and management's discussion and analysis.

BOARD APPROVAL

The contents and sending of this Circular have been approved by the directors of the Company.

DATED this 31st day of JULY, 2023.

BY ORDER OF THE BOARD

"Darren Morcombe", Chair of the Board

SCHEDULE "A" **Charter of the Audit Committee**

The audit committee (the "**Audit Committee**") assists the Board of Directors (the "**Board**") in overseeing the financial controls and reporting of CVW CleanTech Inc. and any and all subsidiary corporations (collectively, the "**Company**"). The Audit Committee also monitors whether the Company complies with financial covenants and legal and regulatory requirements governing financial disclosure matters and financial risk management.

1. COMPOSITION AND QUORUM

The Audit Committee is composed of a minimum of three and a maximum of five members. A majority of the members of the Audit Committee must qualify as independent directors in accordance with National Instrument 52-110 of the Canadian Securities Administrators ("**NI 52-110**") as determined by the Board. Each member of the Audit Committee must be financially literate, capable of reading and understanding a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. At least one member of the Audit Committee must have accounting or related financial experience, being the ability to analyze and interpret a full set of financial statements, including notes thereto, in accordance with generally accepted accounting principles.

Independent members of the Audit Committee may not receive, directly or indirectly, any compensation from the Company other than compensation received in their roles as directors and committee members and must be free of any material relationship with the Company which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment. The Board shall, in making any such determination, exercise its discretion in accordance with the guidance contained in NI 52- 110.

The quorum at any meeting of the Audit Committee is a majority of its members.

The Corporate Governance Committee shall review the candidacy of any director being considered for the Audit Committee prior to the invitation being extended to such director to join the Audit Committee and shall periodically review the composition of the Audit Committee. In addition, the Audit Committee will undertake annually a review of this mandate and make recommendations to the Corporate Governance Committee as to proposed changes, if any.

2. AUTHORITY

The Audit Committee has the authority to:

1. engage independent counsel and other advisors as it determines necessary to carry out its duties;
2. set and pay the compensation for any advisors employed by the Audit Committee; and
3. communicate directly with any auditors performing audit, review of attest services for or on behalf of the Company.

3. RESPONSIBILITIES

The Audit Committee has the following responsibilities:

With respect to financial reporting

1. Assuming overall responsibility for the disclosure of all financial and related information by the Company in accordance with all legal and regulatory requirements, both with respect to content and timing governing the dissemination of such information.
2. Reviewing the annual financial statements and accompanying notes, the external auditors' report thereon, the annual management's discussion and analysis ("MD&A") and the related press release announcing the Company's earnings, and obtaining explanations from management on all significant variances with comparative periods, before recommending their approval by the Board and their release.
3. Reviewing the quarterly financial statements, the interim MD&A and the related press release announcing the Company's earnings before recommending their approval by the Board and their release.
4. Reviewing the financial information contained in the annual information form, annual report, prospectuses and other documents, as applicable, containing similar financial information extracted or derived from the Company's financial statements before their public disclosure or filing with regulatory authorities in Canada and periodically assessing the adequacy of the procedures established to review the Company's public disclosure of such financial information.
5. Reviewing with management and the external auditors the quality and not just the acceptability of the Company's accounting policies and any changes that are proposed to be made thereto, including (i) all critical accounting policies and practices used, (ii) any alternative treatments of financial information that have been discussed with management, the ramification of their use and the external auditors' preferred treatment, and (iii) any other material communications with management with respect thereto, and reviewing the disclosure and impact of contingencies and the reasonableness of the provisions, reserves and estimates that may have a material impact on financial reporting.
6. Reviewing with the external auditors any audit problems or difficulties and management's response thereto and resolving any disagreement between management and the external auditors regarding financial reporting.
7. Reviewing periodically any policies of the Company with respect to the communication of financial and related information to ensure that they conform with applicable legal and regulatory requirements.

With respect to risk management and internal controls

1. Reviewing current and expected future compliance with covenants under the financing agreements.
2. Reviewing the proposed issuance of debt and equity instruments including public and private debt, equity and hybrid securities, credit facilities with banks and others, and other credit arrangements such as material capital and operating leases. When applicable, the Committee shall review the related securities filings.
3. Reviewing the proposed repurchase of public and private debt, equity and hybrid securities.
4. Understand the Company's capital structure and financial risks arising from exposure to such things as commodity prices, interest rates, foreign currency exchange rates and credit. Review the management of these risks including any proposed hedging exposures. The Committee shall receive a summary report of the hedging activities including a summary of the hedge-related instruments.
5. Monitoring the quality and integrity of the Company's system of internal controls and management information systems, through discussions with management and the external auditors.
6. Reviewing all audit plans of external auditors and arranging for any additional independent audit procedures deemed necessary by the Audit Committee to gain reasonable assurance that the combined evaluation and testing of internal financial controls is comprehensive, coordinated and cost-effective.
7. Overseeing management's reporting on internal controls.
8. At least annually, reviewing a report of the external auditors describing the Company's internal quality-control procedures, any material issues raised by the most recent reviews of internal controls and management information systems or by any inquiry or investigation by governmental or professional authorities and any recommendations made and steps taken to deal with any such issues.
9. Monitoring the execution of all audit plans.
10. Ensuring that persons auditing internal controls are always ultimately accountable to the Audit Committee and the Board
11. Establishing procedures for:
 - a. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - b. the confidential, anonymous submission by employees of the Company of concerns

regarding questionable accounting or auditing matters.

12. The Audit Committee shall enquire into and determine the appropriate resolution of any conflict of interest in respect of audit or financial matters, which are directed to the Audit Committee by any member of the Board, a shareholder of the Company, the external auditors, or senior management.

With respect to the external auditors

1. Overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.
2. Reviewing the annual written statement of the external auditors regarding all their relationships with the Company and discussing any relationships or services that may impact on their objectivity or independence.
3. Making recommendations to the Board concerning the appointment and, if appropriate, the termination (both subject to shareholder approval) of the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company and monitoring their qualifications, performance and independence. When there is to be a change of external auditors, review all issues and provide documentation related to the change, including the information to be included in the Notice of Change of Auditors and documentation required pursuant to National Instrument 51-102 (or any successor legislation) of the Canadian Securities Administrators and the planned steps for an orderly transition period.
4. Approving the performance of all non-audit services to be provided to the Company by the Company's external auditors.
5. Approving and overseeing the disclosure of all audit services provided by the external auditors to the Company or any of its subsidiaries, determining which non-audit services the external auditors are prohibited from providing and, exceptionally, approving and overseeing the disclosure of permitted non-audit services to be performed by the external auditors.
6. Making recommendations to the Board concerning the basis and amount of the external auditors' fees for both audit and authorized non-audit services.
7. Reviewing the audit plan with the external auditors and management and approving the scope, extent and schedule of such audit plan.
8. Reviewing and approving the Company's hiring policies for partners, employees or former partners or employees of the present and former external auditors.

9. Ensuring the respect of legal requirements regarding the rotation of applicable partners of the external auditors, on a regular basis, as required.
10. Ensuring that the external auditors are always accountable to the Audit Committee and the Board.
11. Making arrangements for sufficient funds to be available to effect payment of the fees of the external auditors and of any advisors or experts retained by the Audit Committee.

With respect to the Chief Financial Officer

1. The Audit Committee shall review the appointments of the Chief Financial Officer and any key financial managers who are involved in the financial reporting process.
2. Annually reviewing the performance of the Chief Financial Officer.

With respect to directors' and officers' insurance

1. The Audit Committee shall review the amount and terms of any insurance to be obtained or maintained by the Company with respect to risks inherent in its operations and potential liabilities incurred by the directors or officers in the discharge of their duties and responsibilities.

4. METHOD OF OPERATION

1. Meetings of the Audit Committee are held at least quarterly, and as required.
2. A member or members of the Audit Committee may participate in a meeting of the Audit Committee by means of such telephonic, electronic or other communication facilities, as permits all persons participating in the meeting to communicate adequately with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.
3. In the absence of the Chair of the Audit Committee, the members of the Audit Committee shall choose one of the members present to be Chair of the meeting. In addition, the members of the Audit Committee shall choose one of the persons present to be the Secretary of the meeting.
4. The following Management representatives shall be invited to attend all meetings, except private committee sessions and private sessions with the independent auditors:
 - (a) President and Chief Executive Officer
 - (b) Vice President, Finance and Chief Financial Officer
5. The Chairman of the Board, senior management of the Company and other parties may attend meetings of the Audit Committee; however the Audit Committee (i) shall meet with

the external auditors independent of management; and (ii) may meet separately with management.

6. The Chair of the Audit Committee develops the agenda for each meeting of the committee in consultation with the Chief Financial Officer. The agenda and the appropriate material are provided to members of the Audit Committee on a timely basis prior to any meeting of the Audit Committee.
7. The Chair of the Audit Committee reports regularly to the Board on the business of the Audit Committee.
8. The Audit Committee has at all times a direct line of communication with the Company's auditors.
9. The Audit Committee meets on a regular basis without management or the external auditors.
10. The Audit Committee meets separately with management and the auditors at least annually, and more frequently as required.
11. The Audit Committee may, in appropriate circumstances, engage external advisors, subject to advising the Chair of the Board thereof.
12. Review that an effective "whistleblowing" procedure exists to permit stakeholders to express any concerns regarding accounting or financial matters to an appropriately independent individual.
13. The Audit Committee annually reviews its mandate and reports to the Board on its adequacy and publication requirements.
14. The Corporate Governance Committee annually supervises the performance assessment of the Audit Committee and its members.

Nothing contained in this mandate is intended to expand applicable standards of conduct under statutory or regulatory requirements for the directors of the Company or the members of the Audit Committee. Even though the Audit Committee has a specific Charter and its members may have financial experience, they do not have the obligation to act as auditors or to perform auditing, or to determine that the Company's financial statements are complete and accurate. Members of the Audit Committee are entitled to rely, absent knowledge to the contrary, on (i) the integrity of the persons and organizations from whom they receive information, (ii) the accuracy and completeness of the information provided, and (iii) representations made by management as to the non-audit services provided to the Company by the external auditor. The Audit Committee's oversight responsibilities are not established to provide an independent basis to determine that (i) management has maintained appropriate accounting and financial reporting principles or appropriate internal controls and procedures, or (ii) the Company's financial statements have been prepared and, if applicable, audited in accordance with generally accepted accounting principles.

The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than inflexible rules and the Audit Committee may adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

Dated: April 21, 2022

SCHEDULE "B"
Equity Incentive Plan

SECTION 1. ESTABLISHMENT AND PURPOSE OF THIS PLAN

CVW CleanTech Inc. (the "**Company**") wishes to establish this equity incentive plan ("**Plan**"). The purpose of this Plan is to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of Directors, Key Employees and Consultants of the Company and its Subsidiaries; (b) encouraging such Directors, Key Employees and Consultants to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such Directors, Key Employees and Consultants with the interests of the Company.

To this end, this Plan provides for the grant of Restricted Share Units, Deferred Share Units, and Options to Directors, Key Employees and Consultants of the Company as further described in this Plan.

The Plan and the RSUs, DSUs, and Options issuable under the Plan are subject to Policy 4.4 of the TSX Venture Exchange.

SECTION 2. DEFINITIONS

As used in this Plan, the following terms shall have the meanings set forth below:

- (a) "**Affiliate**" has the meaning ascribed to such term under the policies of the Exchange;
- (b) "**Associate**" has the meaning ascribed to such term under the policies of the Exchange;
- (c) "**Award**" means any award of Restricted Share Units, Deferred Share Units, or Options granted under this Plan;
- (d) "**Award Agreement**" means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under this Plan;
- (e) "**Board**" means the board of directors of the Company;
- (f) "**Change of Control**" has the meaning ascribed to such term under the policies of the Exchange;
- (g) "**Committee**" means such committee of the Board performing functions in respect of compensation as may be determined by the Board from time to time;
- (h) "**Company**" means CVW CleanTech Inc., a company existing under the *Canada Business Corporations Act*, RSC 1985, c C-44, and any of its successors or assigns;
- (i) "**Consultant**" has the meaning ascribed to such term under the policies of the Exchange, and includes a Consultant Company as defined under the policies of the Exchange;
- (j) "**Current Market Price**" means the closing price of the Shares on the last Trading Day on which trading in the Shares took place immediately prior to the relevant exercise date;

- (k) "**Deferred Share Unit**" or "**DSU**" means a right to receive on a deferred basis a payment in either Shares or cash as provided in Section 5(c) hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (l) "**Director**" means a member of the Board, and includes a company wholly-owned by such individual;
- (m) "**Disability**" means any medical condition which qualifies a Participant for benefits under a long-term disability plan of the Company or Subsidiary;
- (n) "**Discounted Market Price**" means the Current Market Price less the discount allowable pursuant to the policies of the Exchange;
- (o) "**Disinterested Shareholder Approval**" shall have the meaning ascribed thereto in the rules and policies of the Exchange, but generally means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted meeting of shareholders, excluding votes attached to Shares beneficially owned by Insiders to whom Awards may be granted under this Plan, the Persons who hold or will hold the Award in question and Associates and Affiliates of such Insiders and Persons;
- (p) "**Effective Date**" has the meaning ascribed thereto in Section 8;
- (q) "**Election Form**" means the form to be completed by a Director specifying the amount of Fees he or she wishes to receive in Deferred Share Units under this Plan;
- (r) "**Eligible Person**" means Directors, Key Employees, Consultants, and Management Company Employees;
- (s) "**Exchange**" means the TSX Venture Exchange, or such other exchange upon which the Shares of the Company may become listed for trading;
- (t) "**Exchange Hold Period**" means the four-month resale restriction imposed by the Exchange on the Shares, more particularly described in Exchange Policy 1.1;
- (u) "**Fees**" means the annual board retainer, chair fees, meeting attendance fees or any other fees payable to a Director by the Company;
- (v) "**Grant Date**" means, for any Award, the date specified by the Board as the grant date at the time it grants the Award or, if no such date is specified, the date upon which the Award was actually granted;
- (w) "**Insider**" has the meaning ascribed to such term under the policies of the Exchange;
- (x) "**Insider Participant**" means a Participant who is an (i) Insider of the Company or of a Subsidiary, and (ii) Associate of any person who is an Insider by virtue of (i);

- (y) **"Investor Relations Activities"** means any activities, by or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:
- (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company:
 - A. to promote the sale of products or services of the Company, or
 - B. to raise public awareness of the Company,that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
 - (ii) activities or communications necessary to comply with the requirements of:
 - A. applicable securities laws;
 - B. Exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
 - (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
 - A. the communication is only through the newspaper, magazine or publication; and
 - B. the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
 - (iv) activities or communications that may be otherwise specified by the Exchange;
- (z) **"Investor Relations Service Provider"** means any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (aa) **"Key Employees"** means employees, including officers, whether Directors or not, and including both full-time and part-time employees of the Company or any Subsidiary who, by the nature of their positions or jobs are, in the opinion of the Board, in a position to contribute to the success of the Company, and companies wholly-owned by such employees;
- (bb) **"Management Company Employee"** means an individual employed by a company providing management services to the Company, which services are required for the ongoing successful operation of the business enterprise of the Company.
- (cc) **"Market Unit Price"** means the value of a Share determined by reference to the five-day volume weighted average closing price of a Share for the five (5) Trading Days immediately preceding the

day on which trading in the Shares took place, or immediately preceding the exercise date of a Stock Option;

- (dd) "**Option**" means incentive share purchase options entitling the holder thereof to purchase Shares;
- (ee) "**Participant**" means any Eligible Person to whom Awards under this Plan are granted;
- (ff) "**Participant's Account**" means a notional account maintained for each Participant's participation in this Plan which will show any Restricted Share Units, Deferred Share Units, or Options credited to a Participant from time to time;
- (gg) "**Person**" means any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, or governmental authority or body;
- (hh) "**Restriction Period**" means the time period between the Grant Date and the Vesting Date of an Award of Restricted Share Units, Performance Share Units or Deferred Share Units specified by the Board in the applicable Award Agreement, which period shall be no less than 12 months, unless provided for in Policy 4.4 of the Exchange;
- (ii) "**Restricted Share Unit**" or "**RSU**" means a right awarded to a Participant to receive a payment in Shares as provided in Section 5(a) hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (jj) "**Retirement**" means retirement from active employment with the Company or a Subsidiary with the consent of an officer of the Company or the Subsidiary;
- (kk) "**Securities Act**" means the *Securities Act*, RSO 1990, c S.5, as amended, from time to time;
- (ll) "**Security-Based Compensation Arrangement**" shall have the meaning ascribed thereto in the rules and policies of the Exchange, or in the event that such term is not defined in the rules and policies of the Exchange, shall mean a stock option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more full-time employees, officers, Insiders, service providers or Consultants of the Company or a Subsidiary, including a share purchase from treasury by a full-time employee, officer, Insider, service provider or Consultant;
- (mm) "**Shares**" means the common shares of the Company;
- (nn) "**Subsidiary**" means a corporation, company or partnership that is controlled, directly or indirectly, by the Company;
- (oo) "**Termination Date**" means, as applicable: (i) in the event of a Participant's Retirement, voluntary termination or termination of employment as a result of a Disability, the date on which such Participant ceases to be an employee of the Company or a Subsidiary; and (ii) in the event of termination of the Participant's employment by the Company or a Subsidiary, the date on which

such Participant is advised by the Company or a Subsidiary, in writing or verbally, that his or her services are no longer required;

- (pp) **"Trading Day"** means any date on which the Exchange is open for trading; and
- (qq) **"Vesting Date"** means in respect of any Award, the date when the Award is fully vested in accordance with the provisions of this Plan and the applicable Award Agreement.

SECTION 3. ADMINISTRATION

- (a) **BOARD TO ADMINISTER PLAN.** Except as otherwise provided herein, this Plan shall be administered by the Board and the Board shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administering this Plan as the Board may deem necessary in order to comply with the requirements of this Plan.
- (b) **DELEGATION TO COMMITTEE.** All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Board, be delegated to and exercised by the Committee or such other committee as the Board may determine.
- (c) **INTERPRETATION.** All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Company.
- (d) **NO LIABILITY.** No Director shall be personally liable for any action taken or determination or interpretation made or approved in good faith in connection with this Plan and the Directors shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of this Plan and of the rules and regulations established for administering this Plan. All costs incurred in connection with this Plan shall be for the account of the Company.

SECTION 4. SHARES AVAILABLE FOR AWARDS

- (a) **LIMITATIONS ON SHARES AVAILABLE FOR ISSUANCE.**
 - (i) The aggregate number of Shares issuable under this Plan in respect of Awards shall not exceed 10% of the Company's issued and outstanding common shares at the Grant Date.
 - (ii) So long as it may be required by the rules and policies of the Exchange:
 - A. the total number of Shares issuable under this Plan in respect of all Awards granted or issued to Insiders (as a group) must not exceed 10% of the issued and outstanding Shares at any point in time;

- B. the total number of Shares issuable under this Plan in respect of all Awards, in any 12-month period to Insiders (as a group) shall not exceed 10% of the issued and outstanding Shares, calculated as at the date any Award is granted or issued to any Insider, unless the Company has obtained the requisite disinterested Shareholder approval;
 - C. the total number of Shares issuable under this Plan in respect of all Awards, in any 12-month period to any one Participant shall not exceed five (5%) percent of the issued and outstanding Shares, calculated as at the date any Award is granted or issued to the Participant, unless the Company has obtained the requisite disinterested Shareholder approval;
 - D. the total number of Shares issuable to any Consultant under this Plan in respect of all Awards, in any 12-month period shall not exceed two (2%) percent of the issued and outstanding Shares, calculated as at the date any Award is granted or issued to the Consultant; and
 - E. the total number of Options issuable to Participants performing Investor Relations Activities shall not exceed two (2%) percent of the issued and outstanding Shares in any 12-month period.
- (iii) Persons performing Investor Relations Activities may only receive Options as Awards under this Plan;
 - (iv) Any Award granted or issued to any Participant who is a Director, Officer, Employee, Consultant or Management Company Employee must expire within a reasonable period, not exceeding 12 months, following the date the Participant ceases to be an eligible Participant under the Plan.
 - (v) Pursuant to the policies of the Exchange, the Exchange Hold Period will be applied to Shares issuable under this Plan and any certificate(s) representing those Shares will include a legend stipulating that the Shares issued are subject to a four-month Exchange Hold Period commencing from the Grant Date.
- (b) ACCOUNTING FOR AWARDS.** For purposes of this Section 4:
- (i) If an Award is denominated in Shares, the number of Shares covered by such Award, or to which such Award relates, shall be counted on the Grant Date of such Award against the aggregate number of Shares available for granting Awards under this Plan; and
 - (ii) Notwithstanding anything herein to the contrary, any Shares related to Awards which terminate by expiration, forfeiture, cancellation, or otherwise without the issuance of such Shares, or are exchanged with the Board's permission, prior to the issuance of Shares, for Awards not involving Shares, shall be available again for granting Awards under this Plan.

- (c) **ANTI-DILUTION.** If the number of outstanding Shares is increased or decreased as a result of a stock split, consolidation or recapitalization and not as a result of the issuance of Shares for additional consideration or by way of stock dividend, the Board may make appropriate adjustments to the number and price (or other basis upon which an Award is measured) of RSUs, DSUs, and/or Options credited to a Participant. Any adjustment, other than in connection with a security consolidation or security split, to an Award granted or issued under a Security Based Compensation Arrangement must be subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization. Any determinations by the Board as to the required adjustments shall be made in its sole discretion and all such adjustments shall be conclusive and binding for all purposes under this Plan.
- (d) **FORMER PLANS.** From and after the Effective Date, all prior long-term incentive plans of the Company shall be cancelled and deemed to be cancelled, and all awards granted thereunder shall be governed and deemed to be governed by the provisions of this Plan as existing Awards governed by the terms of this Plan.
- (e) **ELIGIBILITY AND PARTICIPATION.** For all Awards granted or issued to Directors, Key Employees and Consultants, both the Company and the Participant are responsible for ensuring and confirming that the Participant is a *bona fide* Director, Key Employee or Consultant, as the case may be, at the time of such grant.

SECTION 5. AWARDS

(a) RESTRICTED SHARE UNITS

- (i) **ELIGIBILITY AND PARTICIPATION.** Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of RSUs to Directors, Key Employees and Consultants. RSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. In no event shall the value of the RSU be lower than the Discounted Market Price. The number of RSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each RSU shall, contingent upon the lapse of any restrictions, represent one (1) Share. The number of RSUs granted pursuant to an Award and the Restriction Period in respect of such RSUs shall be specified in the applicable Award Agreement.
- (ii) **RESTRICTIONS.** RSUs shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time an Award is granted.
- (iii) **VESTING.** All RSUs will vest and become payable by the issuance of Shares at the end of the Restriction Period if all applicable restrictions have lapsed, as such restrictions may be specified in the Award Agreement. No RSU may vest before the date that is one (1)

year following the date it is granted or issued, unless a Participant dies, or ceases to be an eligible Participant under this Plan in connection with a Change of Control, take-over bid, reverse take-over or other similar transaction.

- (iv) **CHANGE OF CONTROL.** In the event of a Change of Control, all restrictions upon any RSUs shall lapse immediately and all such RSUs shall become fully vested in the Participant and will accrue to the Participant in accordance with Section 5(a)(x) hereof.
- (v) **DEATH.** Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, have not vested, may be vested in the Participant without further action and without any cost or payment at the sole discretion of the Board or the Committee, as the case may be. Any RSUs vested in such Participant, including those vested after the Participant's death pursuant to the exercise of the Board's discretion, will accrue to the Participant's estate in accordance with Section 5(a)(x) hereof, provided that the Participant's estate makes a claim for such vested RSUs within 12 months of the date of death.
- (vi) **EMPLOYMENT.**
 - A. Where, in the case of a Key Employee, a Participant's employment is terminated by the Company or a Subsidiary for cause, all RSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
 - B. Where, in the case of a Key Employee, a Participant's employment terminates by reason of termination by the Company or a Subsidiary without cause, by voluntary termination or due to Retirement by the Participant, all RSUs granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date, provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination without cause, voluntary termination or Retirement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5(a)(x) hereof.
 - C. Upon termination of a Participant's employment with the Company or a Subsidiary, the Participant's eligibility to receive further grants of Awards of RSUs under this Plan shall cease as of the Termination Date.
- (vii) **DISABILITY.** Where, in the case of a Key Employee, a Participant becomes afflicted by a Disability, all RSUs granted to the Participant under this Plan will continue to vest in accordance with the terms of such RSUs, provided, however, that no RSUs may be redeemed during a leave of absence. Where a Key Employee's employment is terminated due to Disability, all RSUs granted to the Participant under this Plan that have not vested

will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date, provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination due to Disability, had vested pursuant to terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5(a)(x) hereof.

- (viii) **CESSATION OF DIRECTORSHIP.** Where, in the case of Directors, a Participant ceases to be a Director for any reason, any RSUs granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date the Participant ceases to be a Director, provided, however, that any RSUs granted to such Participant which, prior to the Participant ceasing to be a Director for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5(a)(x) hereof.
- (ix) **TERMINATION OF SERVICE.** Where, in the case of Consultants, a Participant's service to the Company terminates for any reason, subject to the applicable Award Agreement and any other contractual commitments between the Participant and the Company, any RSUs granted to the Participant under this Plan that have not yet vested will be forfeited and cancelled and shall be of no further force or effect as of the date of termination of service, provided, however, that any RSUs granted to such Participant which, prior to the termination of the Participant's service to the Company for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5(a)(x) hereof.
- (x) **PAYMENT OF AWARD.** As soon as practicable after each Vesting Date of an Award of RSUs, the Company shall issue from treasury to the Participant, or if Section 5(a)(v) applies, to the Participant's estate, a number of Shares equal to the number of RSUs credited to the Participant's Account that become payable on the Vesting Date. As of the Vesting Date, the RSUs in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such RSUs.

(b) DEFERRED SHARE UNITS

- (i) **ELIGIBILITY AND PARTICIPATION.** Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of DSUs to Directors and Key Employees. DSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of DSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each DSU shall, contingent upon the lapse of any restrictions, represent one (1) Share. The number of DSUs granted pursuant to an Award and the Restriction Period in respect of such RSUs shall be specified in the applicable Award Agreement.

- (ii) **RESTRICTIONS.** DSUs shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time an Award is granted.
- (iii) **CHANGE OF CONTROL.** In the event of a Change of Control, all restrictions upon any DSUs shall lapse immediately and all such DSUs shall accrue to the Participant in accordance with Section 5(b)(vi) hereof.
- (iv) **TERMINATION OF EMPLOYMENT.**
 - A. Where, in the case of a Key Employee, a Participant's employment is terminated by the Company or a Subsidiary for cause, all DSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
 - B. Where, in the case of a Key Employee, a Participant's employment terminates by reason of termination by the Company or a Subsidiary without cause, by voluntary termination or due to Retirement by the Participant, all DSUs granted to the Participant under this Plan shall accrue to the Participant in accordance with Section 5(b)(vi) hereof unless the applicable Award Agreement provides otherwise.
 - C. Upon termination of a Participant's employment with the Company or a Subsidiary, the Participant's eligibility to receive further grants of Awards of DSUs under this Plan shall cease as of the Termination Date.
- (v) **CESSATION OF DIRECTORSHIP.** Where, in the case of Directors, a Participant ceases to be a Director for any reason, any DSUs granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date the Participant ceases to be a Director, provided, however, that any RSUs granted to such Participant which, prior to the Participant ceasing to be a Director for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5(b)(vi) hereof.
- (vi) **PAYMENT OF AWARD.** Each Participant shall be entitled to receive, after the effective date that the Participant ceases to be a Director or Key Employee, or any earlier vesting period(s) as may be set forth in the applicable Award Agreement, on a day designated by the Participant and communicated to the Company by the Participant in writing at least 15 days prior to the designated day (or such earlier date as the Participant and the Company may agree, which date shall be no later than the end of the calendar year following the year in which the Participant ceases to be a Director or Key Employee, or any earlier period on which the DSUs vested, as the case may be) and if no such notice is

given, then on the first anniversary of the effective date that the Participant ceases to be a Director or Key Employee, or any earlier period on which the DSUs vested, as the case may be, at the sole discretion of the Board, either:

- A. that number of Shares equal to the number of DSUs credited to the Participant's Account, such Shares to be issued from treasury of the Company; or
- B. a cash payment in an amount equal to the Market Unit Price on the next Trading Day after the Participant ceases to be a Director or officer of the DSUs credited to a Participant's Account, net of applicable withholdings.

In no event shall the value of the DSUs or cash payment be lower than the Discounted Market Price.

- (vii) **DEATH.** Upon death of a Participant, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, a cash payment or Shares that would have otherwise been payable in accordance with Section 5(b)(iv) hereof to the Participant upon such Participant ceasing to be Director or officer.

(c) **OPTIONS**

- (i) **ELIGIBILITY AND PARTICIPATION.** Subject to the provisions of this Plan and such other terms and conditions as the Board may determine, the Board may, from time to time, in its discretion, grant Awards of Options to Directors, Key Employees and Consultants. Options granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Options to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan.
- (ii) **EXERCISE PRICE.** The exercise price of the Options shall be determined by the Board at the time the Option is granted. In no event shall such exercise price be lower than the Discounted Market Price. The Board shall not reprice or extend the term of any Options previously granted under this Plan, except in accordance with the rules and policies of the Exchange. For greater certainty, the Company will be required to obtain Disinterested Shareholder Approval in respect of any reduction in the exercise price or extension of the term of Options granted to any Participant if the Participant is an Insider at the time of the proposed reduction, if and to the extent required by the rules and policies of the Exchange.
- (iii) **TIME AND CONDITIONS OF EXERCISE.** The Board shall determine the time or times at which an Option may be exercised in whole or in part, provided that the term of any Option granted under this Plan shall not exceed ten years. The Board shall also determine the performance or other conditions, if any, that must be satisfied before all or part of an Option may be exercised.
- (iv) **EVIDENCE OF GRANT.** All Options shall be evidenced by a written Award Agreement. The

Award Agreement shall reflect the Board's determinations regarding the exercise price, time and conditions of exercise (including vesting provisions) and such additional provisions as may be specified by the Board.

- (v) **EXERCISE.** The exercise of any Option will be contingent upon receipt by the Company of a written notice of exercise in the manner and in the form set forth in the applicable Award Agreement, which written notice shall specify the number of Shares with respect to which the Option is being exercised, and which shall be accompanied by a cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the Option is exercised. Certificates for such Shares shall be issued and delivered to the optionee within a reasonable time following the receipt of such notice and payment. Neither the optionee nor his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares unless and until the certificates for the Shares issuable pursuant to Options under this Plan are issued to such optionee under the terms of this Plan.
- (vi) **VESTING.** All Options granted to Persons retained to perform Investor Relations Activities will vest and become exercisable in stages over a period of not less than twelve (12) months, with no more than one-quarter (1/4) of such Options vesting and becoming exercisable in any three (3) month period.
- (vii) **CHANGE OF CONTROL.** In the event of a Change of Control, each outstanding Option issued to Directors, Key Employees and Consultants, to the extent that it shall not otherwise have become vested and exercisable, and subject to the applicable Award Agreement, shall automatically become fully and immediately vested and exercisable, without regard to any otherwise applicable vesting requirement, but subject to the policies of the Exchange.
- (viii) **DEATH.** Where, in the case of Directors and Key Employees, a Participant shall die while an optionee, any Option held by such Participant at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Participant under the Option shall pass by the will of the Participant or the laws of descent and distribution for a period of 120 days after the date of death of the Participant or prior to the expiration of the option period in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of death of such Participant.
- (ix) **TERMINATION OF EMPLOYMENT.**
 - A. Where, in the case of Key Employees, a Participant's employment is terminated by the Company or a Subsidiary for cause, no Option held by such Participant shall be exercisable from the Termination Date.
 - B. Where, in the case of Key Employees, a Participant's employment is terminated by the Company or a Subsidiary without cause, by voluntary termination by the Participant or due to Retirement, subject to the applicable Award Agreement, any

Option held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 60 days after the Termination Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed 12 months from the Termination Date) or prior to the expiration of the option period in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the Termination Date.

- C. Where, in the case of Key Employees, a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options. Where, in the case of Key Employees, a Participant's employment is terminated due to Disability, subject to the applicable Award Agreement, any Option held by such Participant shall remain exercisable for a period of 120 days after the Termination Date or prior to the expiration of the option period in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the Termination Date.

- (x) **CESSATION OF DIRECTORSHIP.** Where, in the case of Directors, a Participant ceases to be a Director for any reason, subject to the applicable Award Agreement and the provisions below, any Option held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 60 days after the date the Participant ceases to be a director or prior to the expiration of the Option in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date the Participant ceased to be a director. Where, in the case of Directors, a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any Option held by such Participant shall remain exercisable for a period of 120 days after the Participant ceases to be a Director or prior to the expiration of the option period in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date the Participant ceased to be a director.

- (xi) **TERMINATION OF SERVICE.** Where, in the case of Consultants, a Participant's service to the Company terminates for any reason, subject to the applicable Award Agreement and any other contractual commitments between the Participant and the Company, no Option held by such Participant shall be exercisable from the date of termination of service.

(d) **GENERAL TERMS APPLICABLE TO AWARDS**

- (i) **FORFEITURE EVENTS.** The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance

conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company policies, fraud, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.

- (ii) **AWARDS MAY BE GRANTED SEPARATELY OR TOGETHER.** Without limiting Section (5)(d), Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award or any award granted under any other Security-Based Compensation Arrangement of the Company. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with awards granted under any other Security-Based Compensation Arrangement of the Company, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.
- (iii) **NON-TRANSFERABILITY OF AWARDS.** Except as otherwise provided for in this Plan, no Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.
- (iv) **CONDITIONS AND RESTRICTIONS UPON SECURITIES SUBJECT TO AWARDS.** The Board may provide that the Shares issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Board in its sole discretion may specify, including without limitation, conditions on vesting or transferability and forfeiture or repurchase provisions or provisions on payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including without limitation: (A) restrictions under an insider trading policy or pursuant to applicable law; (B) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant and holders of other Security-Based Compensation Arrangements; (C) restrictions as to the use of a specified brokerage firm for such resales or other transfers; and (D) provisions requiring Shares to be sold on the open market or to the Company in order to satisfy tax withholding or other obligations.
- (v) **SHARE CERTIFICATES.** All Shares delivered under this Plan pursuant to any Award shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under this Plan or the rules, regulations, and other requirements of any securities commission, the Exchange, and any applicable securities legislation, regulations, rules, policies or orders, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
- (vi) **CONFORMITY TO PLAN.** In the event that an Award is granted which does not conform in all particulars with the provisions of this Plan, or purports to grant an Award on terms

different from those set out in this Plan, the Award shall not be in any way void or invalidated, but the Award shall be adjusted by the Board to become, in all respects, in conformity with this Plan.

SECTION 6. AMENDMENT AND TERMINATION

- (a) **DIRECTOR AND SHAREHOLDER APPROVAL OF PLAN.** This Plan must be approved by a majority of the Company's directors at the time it is implemented and at the time of any amendment. This Plan must also be approved by the Company's Shareholders at the time it is implemented and upon any changes to the total number of Shares issuable under the Plan. Any Awards granted under this Plan prior to receipt of Disinterested Shareholder Approval will not be exercisable or binding on the Company unless and until such approvals are obtained.
- (b) **AMENDMENTS AND TERMINATION OF THIS PLAN.** The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of shareholders of the Company, amend, suspend, terminate or discontinue this Plan and may amend the terms and conditions of any Awards granted hereunder, **subject to (a) any required approval of any applicable regulatory authority or the Exchange, and (b) any approval of shareholders of the Company as required by the rules of the Exchange or applicable law.** Notwithstanding the foregoing, shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:
- (i) amendments of a housekeeping nature;
 - (ii) amendments to fix typographical errors; and
 - (iii) amendments to clarify existing provisions of a Security Based Compensation Arrangement that do not have the effect of altering the scope, nature and intent of such provisions.

If this Plan is terminated, prior Awards shall remain outstanding and in effect in accordance with their applicable terms and conditions.

- (c) **AMENDMENTS TO AWARDS.** The Board may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue, or terminate, any Awards theretofore granted, prospectively or retroactively, subject to (a) any required approval of any applicable regulatory authority or the Exchange, and (b) any approval of shareholders of the Company as required by the rules of the Exchange or applicable law. No such amendment or alteration shall be made which would impair the rights of any Participant, without such Participant's consent, under any Award theretofore granted, provided that no such consent shall be required with respect to any amendment or alteration if the Board determines in its sole discretion that such amendment or alteration either (i) is required or advisable in order for the Company, this Plan or the Award to satisfy or conform to any law or regulation or to meet the requirements of any accounting standard, or (ii) is not reasonably likely to significantly diminish the benefits provided under such Award.

SECTION 7. GENERAL PROVISIONS

- (a) **NO RIGHTS TO AWARDS.** No Director, Key Employee, Consultant or other Person shall have any claim to be granted any Award under this Plan, or, having been selected to receive an Award under this Plan, to be selected to receive a future Award, and further there is no obligation for uniformity of treatment of Directors, Key Employees, Consultant or holders or beneficiaries of Awards under this Plan. The terms and conditions of Awards need not be the same with respect to each recipient.
- (b) **WITHHOLDING.** Subject to compliance with Policy 4.4 of the Exchange, the Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under this Plan the amount (in cash, Shares, other securities, or other Awards) of withholding taxes due in respect of an Award, its exercise, or any payment or transfer under such Award or under this Plan and to take such other action as may be necessary in the opinion of the Company to satisfy statutory withholding obligations for the payment of such taxes. Without in any way limiting the generality of the foregoing, whenever cash is to be paid on the redemption, exercise or vesting of an Award, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. Whenever Shares are to be delivered on the redemption, exercise or vesting of an Award, the Company shall have the right to deduct from any other amounts payable to the Participant any taxes required by law to be withheld with respect to such delivery of Shares, or if any payment due to the Participant is not sufficient to satisfy the withholding obligation, to require the Participant to remit to the Company in cash an amount sufficient to satisfy any taxes required by law to be withheld. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement by:
- (i) electing to have the Company withhold from delivery Shares having a value equal to the amount of tax required to be withheld, or
 - (ii) delivering (on a form prescribed by the Company) an irrevocable direction to a securities broker approved by the Company to sell all or a portion of the Shares and to deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.
- (c) **NO LIMIT ON OTHER SECURITY-BASED COMPENSATION ARRANGEMENTS.** Subject to compliance with Policy 4.4 of the Exchange, nothing contained in this Plan shall prevent the Company from adopting or continuing in effect other Security-Based Compensation Arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.
- (d) **NO RIGHT TO EMPLOYMENT.** The grant of an Award shall not constitute an employment contract nor be construed as giving a Participant the right to be retained in the employ of the Company. Further, the Company may at any time dismiss a Participant from employment, free from any liability, or any claim under this Plan, unless otherwise expressly provided in this Plan or in any Award Agreement.

- (e) **NO RIGHT AS SHAREHOLDER.** Neither the Participant nor any representatives of a Participant's estate shall have any rights whatsoever as shareholders in respect of any Shares covered by such Participant's Award, until the date of issuance of a share certificate to such Participant or representatives of a Participant's estate for such Shares.
- (f) **GOVERNING LAW.** This Plan and all of the rights and obligations arising herefrom shall be interpreted and applied in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
- (g) **SEVERABILITY.** If any provision of this Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction, or as to any Person or Award, or would disqualify this Plan or any Award under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of this Plan or the Award, such provision shall be stricken as to such jurisdiction, Person, or Award, and the remainder of this Plan and any such Award shall remain in full force and effect.
- (h) **NO TRUST OR FUND CREATED.** Neither this Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured creditor of the Company.
- (i) **NO FRACTIONAL SHARES.** No fractional Shares shall be issued or delivered pursuant to this Plan or any Award, and the Board shall determine whether cash, or other securities shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be cancelled, terminated, or otherwise eliminated.
- (j) **HEADINGS.** Headings are given to the Sections and subsections of this Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof.
- (k) **NO REPRESENTATION OR WARRANTY.** The Company makes no representation or warranty as to the value of any Award granted pursuant to this Plan or as to the future value of any Shares issued pursuant to any Award.
- (l) **NO REPRESENTATIONS OR COVENANTS WITH RESPECT TO TAX QUALIFICATION.** Although the Company may, in its discretion, endeavor to (i) qualify an Award for favourable Canadian tax treatment or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under this Plan.
- (m) **CONFLICT WITH AWARD AGREEMENT.** In the event of any inconsistency or conflict between the provisions of this Plan and an Award Agreement, the provisions of this Plan shall govern for all purposes.

(n) **COMPLIANCE WITH LAWS.** The granting of Awards and the issuance of Shares under this Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or stock exchanges on which the Company is listed as may be required. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under this Plan prior to:

- (i) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
- (ii) completion of any registration or other qualification of the Shares under any applicable national or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective.

The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

SECTION 8. EFFECTIVE DATE OF THIS PLAN

This Plan shall become effective (the "**Effective Date**") upon the date of approval by the Board, provided that any Awards granted hereunder, shall be subject to approval of this Plan by the shareholders of the Company given by affirmative vote of the majority of the Shares represented at the meeting of the shareholders of the Company at which motion to approve the Plan is presented.