

CVW CLEANTECH INC.

STATEMENT OF EXECUTIVE COMPENSATION

For the Financial Year ended December 31, 2022

This statement of executive compensation for CVW CleanTech Inc. (“CVW CleanTech”, the “Corporation”, “we”, “us” and “our”), dated as of June 30, 2023, is presented in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations* and Form 51-102F6V – *Statement of Executive Compensation*.

This statement of executive compensation will be included in CVW CleanTech’s management information circular to be mailed to its shareholders in connection with the annual meeting of shareholders to be held in 2023. Unless otherwise indicated, all references to “\$” or “dollars” in this statement of executive compensation refer to Canadian dollars.

Compensation Discussion and Analysis

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. 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 operations. In addition, the recovery of hydrocarbons is expected to significantly reduce fugitive methane emissions from tailings ponds while enhancing tailings management.

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 President and Chief Executive Officer (“CEO”) in September 2022. Throughout the year CVW CleanTech maintained its discussions with Canadian Natural Resources Ltd., 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 Chief Financial Officer (“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. During his time as interim CEO, Mr. Morcombe was compensated at a rate of \$1,200 CAD per day spent on Company business which is consistent with his additional hours billed as part of his responsibilities as Chairman of the Board. Mr. Dubey was appointed President and CEO of the Company September 14, 2022.

Mr. Griffin has extensive experience in the mining industry, having provided senior executive, 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 Security Based Compensation Arrangements; the number of securities to be granted pursuant to the Security Based Compensation Arrangements; 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 Security Based Compensation Arrangements.

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 award of restricted share units ("RSUs"); (iii) a long term incentive in the form of stock options, deferred share units ("DSUs") and/or 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, President and 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 savings. 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 RSU plan 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 Compensation Committee determined that 2022 bonuses would be foregone outside of retention bonuses and reinstated in 2023 once a strategy and associated goals had been approved by the Board. 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 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 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.

ANNUAL APPROVAL OF THE EQUITY COMPENSATION PLANS

As previously noted, the Company asks its Shareholders annually to review and approve the stock option plan, the RSU plan and the DSU plan.

The Company's current stock option plan (the "**Stock Option Plan**") was initially approved at a special meeting of the Shareholders held on July 7, 2009 and has subsequently been reapproved each year at the annual and special meeting of Shareholders, with such adjustments as necessary to comply with the applicable laws and the policies of the TSX Venture Exchange (the "**Exchange**").

The purpose of the Stock Option Plan is to encourage ownership of common shares by the directors, officers, employees, and consultants of the Company; advance the interests of the Company by providing additional incentives for superior performance by such persons; and enable the Company to attract and retain valued directors, officers, employees, and consultants.

The Stock Option Plan is a "rolling" 10% plan that provides that the aggregate number of common shares reserved for issuance shall not exceed 10% of the issued and outstanding common shares (on a non-diluted basis).

The following summary of the Stock Option Plan is qualified in its entirety by the full text of the Stock Option Plan attached as Schedule "A" to the Company's management information circular dated January 8, 2015.

The key features of the Stock Option Plan are as follows:

1. the Stock Option Plan is administered by the Board or, if the Board so delegates, a committee of the Board appointed from time to time by the Board;
2. the aggregate number of common shares reserved for issuance pursuant to options granted under the Stock Option Plan and any other Security Based Compensation Arrangements (as such term is defined in the policies of the Exchange) shall not exceed 10% of the issued and outstanding common shares as at the date of grant (on a non-diluted basis). Further, any grant of options under the Stock Option Plan shall be subject to the following restrictions:
 - (a) the aggregate number of common shares reserved for issuance pursuant to options and other securities issued under other Security Based Compensation Arrangements granted to any one individual in any 12 month period shall not exceed 5% of the issued and outstanding common shares, unless disinterested shareholder approval is obtained;
 - (b) the aggregate number of common shares reserved for issuance pursuant to options and other securities issued under other Security Based Compensation Arrangements granted to any one Consultant (as defined in the Stock) in any 12 month period shall not exceed 2% of the issued and outstanding common shares;
 - (c) the aggregate number of common shares reserved for issuance pursuant to options and other securities issued under other Security Based Compensation Arrangements granted to all optionees who are engaged in Investor Relations Activities (as defined in the Stock Option Plan) in any 12 month period shall not exceed 2% of the issued and outstanding common shares;
 - (d) the aggregate number of common shares reserved for issuance pursuant to options and other securities issued under other Security Based Compensation Arrangements granted to Insiders (as defined in the Stock Option Plan) shall not exceed 10% of the issued and outstanding common shares, unless disinterested shareholder approval is obtained; and
 - (e) the aggregate number of common shares reserved for issuance pursuant to options and other securities issued under other Security Based Compensation Arrangements granted to Insiders in any 12 month period shall not exceed 10% of the issued and outstanding common shares, unless disinterested shareholder approval is obtained;
3. the Board will fix the exercise price of each option at the time the option is granted, provided that such price shall not be less than the closing price of the common shares on the Exchange on the last trading day immediately preceding the date of grant of such option, less any applicable discount permitted under the policies of the Exchange;
4. if an optionee is an Insider, the exercise price of his or her options may only be reduced if disinterested shareholder approval is obtained, provided that such approval is then a requirement of the Exchange;
5. the period of time during which a particular option may be exercised is determined by the Board at the time the option is granted, provided that no such option term shall exceed ten years;
6. if the normal expiry date of an option falls within any black-out period (being a period of time when pursuant to any policies of the Company, any securities of the Company may not be traded by certain persons as designated by the Company) and the optionee is subject to the black-out period, the expiry date of such options shall be extended to the date that is ten business days following the end of such black-out period;
7. subject to the Exchange policies, the Board will determine the vesting period or periods within the term of an option during which an optionee may exercise an option or a portion thereof;

8. if any optionee ceases to be a director, officer, employee or consultant of the Company or its subsidiaries for any reason other than death, retirement or permanent disability, the optionee may within 30 days after such termination or prior to the expiry of the option period, whichever is earlier, exercise any option held by the optionee to the extent that the optionee was entitled to exercise the option at the date of such termination;
9. in the event of death of an optionee, the option previously granted is exercisable by the optionee's legal personal representative within 12 months following the date of death of the optionee;
10. in the event of retirement or permanent disability of an optionee, the optionee may within three months after such termination exercise any option held by the optionee to the extent that the optionee was entitled to exercise the option at the date of such termination;
11. in the event of termination for cause of an optionee, all options held by the optionee shall expire and terminate immediately;
12. options and rights related thereto held by an optionee are not assignable or transferable except effectively to the legal personal representative of an optionee upon his or her death;
13. the Board may amend, modify, change or discontinue the Stock Option Plan and may amend, modify or change any outstanding option granted under the Stock Option Plan, provided this does not alter or impair any option previously granted under the Stock Option Plan (except as permitted under the Stock Option Plan) and that this has been approved by the Exchange and, where necessary, by the Shareholders;
14. the Company shall have the power and the right to deduct or withhold, or require an optionee to remit to the Company, the required amount to satisfy federal, provincial and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the Stock Option Plan, including the grant or exercise of options granted under the Stock Option Plan. With respect to required withholding, the Company shall have the irrevocable right to, and the optionee consents to, the Company setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Company to the optionee (whether arising pursuant to the optionee's relationship as a director, officer or employee of the Company or as a result of the optionee providing services on an ongoing basis to the Company or otherwise), or may make such other arrangements satisfactory to the optionee and the Company. In addition, the Company may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of common shares as it determines are required to be sold by the Company, as trustee, to satisfy the withholding obligation net of selling costs. The optionee consents to such sale and grants to the Company an irrevocable power of attorney to effect the sale of such common shares and acknowledges and agrees that the Company does not accept responsibility for the price obtained on the sale of such common shares; and
15. optionees (or their beneficiaries) shall be responsible for all taxes with respect to any options under the Stock Option Plan, whether arising as a result of the grant or exercise of options or otherwise. The provision further provides that the Board and the Company make no guarantees to any person regarding the tax treatment of options or payments made under the Stock Option Plan and none of the Company, nor any of its employees or representatives shall have any liability to an optionee with respect thereto.

DSU Plan

The DSU Plan is designed to promote the alignment of interests between Non-Management Directors (as defined in the DSU Plan) and the Shareholders. The Board is responsible for administering the DSU Plan with the advice of the Compensation Committee or such other committee the Board deems appropriate.

The following is a summary of the DSU Plan and is qualified in its entirety by the full text of the DSU Plan attached as Schedule "B" to the Company's management information circular dated January 8, 2015.

Benefits of the DSU Plan

The DSU Plan is designed to provide long term incentives for Non-Management Directors. The Board believes that DSUs have the following primary benefits:

1. current practice in corporate governance favours the use of DSUs over options for directors because the value of the DSUs can only be realized upon the director ceasing to serve the Company, which helps to ensure that directors act in the long term interests of the Company; and
2. the DSUs provide the Board with an additional compensation tool which can be used to help retain and attract qualified directors and further align the interests of Non-Management Directors with the interest of the Shareholders.

Nature and Administration of the DSU Plan

Only Non-Management Directors ("**Eligible Directors**") are eligible to participate in the DSU Plan. A DSU issued under the DSU Plan is a bookkeeping entry representing a future right to receive one common share at the time of the holder's retirement, death or the holder otherwise ceasing to be an Eligible Director.

Each Eligible Director is a member (a "**DSU Plan Member**") in the DSU Plan.

In January 2022, the Board of Directors elected to amend its compensation arrangements. In the past, the Directors received an annual retainer, plus retainers for acting as chairperson of specific committees. In addition, members of the Board were entitled to receive payment for each Board meeting attended. Going forward, the Board elected to pay an annual retainer of \$30,000 to each director, payable quarterly. Additional days spent on Company business are compensated based at a rate of \$1,200 CAD per day. During 2022 no DSUs were granted to directors given the restructuring that occurred during the year.

Each DSU awarded by the Company is initially equal to the value of a common share at the time the DSU is awarded. The value of the DSU increases or decreases as the price of Company's common shares increases or decreases, thus promoting alignment of the interest of the Eligible Directors with the Shareholders. DSUs vest upon grant and are credited to an Eligible Director's account.

The value of the DSUs credited to a DSU Plan Member's account is redeemable upon the DSU Plan Member ceasing to be an Eligible Director (as such term is defined in the text of the DSU Plan) of the Company. The value of the DSUs is redeemed by filing a written notice of redemption with the Company, specifying (i) either one or two redemption dates, and (ii) the percentage of DSUs held by the DSU Plan Member to be redeemed on each such redemption date (which when added together must equal 100%). Each redemption date specified in the notice of redemption must occur during the period commencing at least five business days following the date on which the notice is filed with the Company and ending:

1. in the event of death, termination for cause, termination without cause and resignation, 60 days after the DSU Plan Member's termination date; or
2. in the event of retirement from active employment, not later than the last day of the calendar year following the year of the DSU Plan Member's termination date.

Subject to applicable income tax and other withholdings as required by law, the value of the vested DSUs redeemed by or in respect of a DSU Plan Member will be paid to the DSU Plan Member or to his or her estate, as the circumstances warrant, in the form of one or two issuances of common shares on the basis of one common share for each DSU redeemed, less the Applicable Withholding Amount (as the term is defined in the DSU Plan), as soon as practicable after the applicable redemption date.

DSUs are personal and non-assignable. DSUs cannot be pledged, hypothecated, charged, transferred, assigned, or otherwise encumbered or disposed of by the DSU Plan Member otherwise than by testate succession or the laws of descent and distribution. Any attempt to do so will cause the DSUs to be null and void. During the lifetime of the DSU Plan Member, a vested DSU is redeemable only by the DSU Plan Member or, upon the death of a DSU Plan Member, the DSU Plan Member's estate.

Limitations under the DSU Plan

Notwithstanding any other provision of the DSU Plan:

1. the aggregate number of common shares reserved for issuance pursuant to dsus granted under the dsu plan and other security based compensation arrangements cannot exceed 10% of the issued and outstanding common shares as at the date of grant (on a non-diluted basis);
2. the aggregate number of common shares reserved for issuance pursuant to DSUs granted to any one individual in any 12 month period cannot exceed 1% of the issued and outstanding common shares, unless disinterested shareholder approval is obtained;
3. the aggregate number of common shares reserved for issuance pursuant to DSUs granted to Insiders (as defined in the policies of the Exchange) cannot exceed 2% of the issued and outstanding common shares, unless disinterested shareholder approval is obtained; and
4. all DSUs granted pursuant to the DSU Plan are subject to the policies of the Exchange.

Adjustments

In the event of any stock dividend, stock split, combination or exchange of common shares, merger, consolidation, spinoff, or other distribution (other than normal cash dividends) of the Company's assets to the Shareholders, or any other changes affecting the common shares, the Board can make such proportionate adjustments with respect to the number of DSUs outstanding under the DSU Plan to reflect this change or changes as it deems appropriate.

No additional DSUs will be granted to a DSU Plan Member to compensate for a downward fluctuation in the price of the common shares, nor will any other form of benefit be conferred upon, or in respect of, a DSU Plan Member for such purpose.

Dividends

Whenever cash dividends are paid on the Company's common shares, additional DSUs will be credited to the DSU Plan Member's account. The number of additional DSUs will be calculated by dividing (i) the dividends that would have been paid to the DSU Plan Member if the DSUs in the DSU Plan Member's account on the relevant dividend record date had been common shares; by (ii) the Market Price (as defined in the DSU Plan) at the date of payment of such dividend. Any fractional DSUs resulting from such calculation will be rounded to the nearest whole number.

Amendment and Termination

The DSU Plan can be amended or terminated at any time by the Board, except as to rights already accrued under the DSU Plan by the DSU Plan Members. Notwithstanding the foregoing, any amendment or termination of the DSU Plan will be such that the DSU Plan continuously meets the requirements of paragraph 6801(d) of the Regulations under the *Income Tax Act* (Canada) or any successor provision thereto.

RSU Plan

The RSU Plan is designed to provide certain officers and other key employees of the Company and its related entities with the opportunity to acquire RSUs in order to enable them to participate in the long-term success of the Company and to promote a greater alignment of their interests with the interests of the Shareholders. The Compensation Committee (or such other committee as the Board may appoint) is responsible for administering the RSU Plan.

The following is a summary of the RSU Plan and is qualified in its entirety by the full text of the RSU Plan attached as Schedule "C" to the Company's management information circular dated January 8, 2015.

Benefits of the RSU Plan

The RSU Plan is designed to be an incentive for the officers and other key employees of the Company with the flexibility to provide for short-term and long-term incentive compensation based on decisions of the Compensation Committee. RSUs provide the Compensation Committee with an additional compensation tool which can be used to help retain and attract highly qualified officers and employees and further align the interests of officers and key employees with the interests of Shareholders.

Nature and Administration of the RSU Plan

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

Subject to certain restrictions, the Compensation Committee can, from time to time, award RSUs to Eligible Persons. RSUs will be credited to an account maintained for each RSU Plan Participant on the books of the Company as of the award date. The number of RSUs to be credited to each RSU Plan Participant's account in respect of a fiscal year shall be determined by dividing: (a) the dollar amount of the portion of the RSU Plan Participant's compensation which the Compensation Committee, in its sole discretion, determines to be paid as RSUs; by (b) the Fair Market Value (as defined in the RSU Plan) per common share on the award date or such higher price per common share as the Compensation Committee determines. Any fractional RSUs resulting from this calculation will be rounded to the nearest whole number.

Each award of RSUs vests on the date(s) (each a "**Vesting Date**") specified by the Compensation Committee on the award date and reflected in the applicable Award Notice (as defined in the RSU Plan). Additionally, the term of the RSUs shall be determined by the Compensation Committee on the date of the award of RSUs and shall not exceed ten years from the date the RSUs are awarded. Each RSU outstanding and all rights thereunder shall expire at the expiry time determined by the Compensation Committee, subject to earlier termination in accordance with the RSU Plan.

Rights and obligations under the RSU Plan can be assigned by the Company to a successor in the business of the Company, any company resulting from any amalgamation, reorganization, combination, merger or arrangement of the Company, or any corporation acquiring all or substantially all of the assets or business of the Company. The RSUs are non-transferable and non-assignable by the RSU Plan Participant. Certificates representing RSUs will not be issued by the Company.

Resignation, Termination, Leave of Absence or Death

Generally, if an RSU Plan Participant's employment or service is terminated, or if the RSU Plan Participant resigns from their employment with the Company, then any RSUs credited to him or her under the RSU Plan which have not vested on or before the separation date for the RSU Plan Participant are forfeited, cancelled, and terminated without payment. An RSU Plan Participant may, but only within the next 30 days following the separation date, deliver a completed Notice of Acquisition to the Company to acquire common shares for the vested RSUs, together with payment of the required exercise price.

Any vested RSUs in respect of which an RSU Plan Participant has not delivered a completed Notice of Acquisition to the Company and paid the required exercise price shall be forfeited and cancelled effective on the 30th day following their departure and shall terminate without payment and shall be of no further force or effect from and after such time.

If an RSU Plan Participant is terminated without Cause (as defined in the RSU Plan), any RSUs which will vest within 60 days of the separation date will be deemed to have been vested on the separation date.

If an RSU Plan Participant's employment or service is terminated, within 30 days of a termination, the Compensation Committee can: (i) accelerate the vesting of all or any portion of the RSU Plan Participant's RSUs; or (ii) determine that an RSU Plan Participant will continue to be an RSU Plan Participant, but subject to such terms and conditions (including vesting) if any, established by the Compensation Committee.

If an RSU Plan Participant takes a leave of absence other than an Approved Leave of Absence (as defined in the RSU Plan), all RSUs granted to the RSU Plan Participant that have not then vested will terminate and be null and void, subject to applicable law and the Board's sole and absolute discretion to determine otherwise.

Upon the death of an RSU Plan Participant, any RSUs granted to an RSU Plan Participant which, as of the date of the death have not yet vested, immediately vest.

Control Change

In the event of a Control Change (as defined in the RSU Plan), the Compensation Committee may:

1. cause the conversion or exchange of any outstanding RSUs into or for rights or other securities of substantially equivalent value (or greater value) in any entity participating in or resulting from a Control Change; or
2. accelerate the vesting of any or all outstanding RSUs to provide that outstanding RSUs are fully vested upon (or immediately prior to) the completion of the transaction resulting in the Control Change.

If, before the completion of the Vesting Date with respect to any award of RSUs, an RSU Plan Participant's employment is terminated in circumstances where the termination occurs:

1. subsequent to a Control Change and during the Control Change Period (as defined in the RSU Plan); or
2. prior to the date on which a Control Change occurs and it is reasonably demonstrated that such termination:
 - (a) was at the request of a third party who has taken steps reasonably calculated to effect a Control Change; or
 - (b) otherwise arose in connection with or anticipation of a Control Change; and
3. such termination was for any reason whatsoever other than death or termination for Cause,

then the award shall immediately vest on the separation date and the Payment Amount shall be equal to the number of common shares determined on the separation date multiplied by the number of RSUs in the RSU Plan Participant's account.

Adjustments

In the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange or other change with respect to the Company's common shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Company or other distribution of the Company's assets to the Shareholders (other than the payment of dividends in respect of the common shares as contemplated in the RSU Plan), the account of each RSU Plan Participant and the RSUs outstanding under the RSU Plan will be adjusted in such manner, if any, as the Compensation Committee deems appropriate to preserve, proportionally, the interests of RSU Plan Participants.

Discretion to Permit Vesting

The Compensation Committee can, at any time, permit both the vesting of any or all RSUs held by an RSU Plan Participant and determine the form and terms of payment of the Payment Amount in respect of such RSUs.

Limitations under the RSU Plan

Notwithstanding any other provision of the RSU Plan:

1. the aggregate number of common shares reserved for issuance pursuant to RSUs granted under the RSU Plan and other Security Based Compensation Arrangements (as defined in the RSU Plan) cannot exceed 10% of the issued and outstanding common shares as at the date of grant (on a non-diluted basis);
2. the aggregate number of common shares reserved for issuance pursuant to RSUs granted to any one individual in any 12 month period shall not exceed 1% of the issued and outstanding common shares, unless disinterested shareholder approval is obtained;
3. the aggregate number of common shares reserved for issuance pursuant to RSUs granted to Insiders (as defined in the policies of the Exchange) shall not exceed 2% of the issued and outstanding common shares, unless disinterested shareholder approval is obtained; and
4. all RSUs granted pursuant to the RSU Plan are subject to the policies of the Exchange.

Amendment, Suspension or Termination of Plan

Subject to applicable law, the Compensation Committee can, without notice or Shareholder approval, amend, suspend, or terminate the RSU Plan for any purpose which, in the good faith opinion of the Compensation Committee, may be expedient or desirable. That being said, the Compensation Committee cannot materially adversely alter or impair any rights of an RSU Plan Participant or materially increase any obligations of an RSU Plan Participant with respect to RSUs previously awarded under the RSU Plan without the consent of the affected RSU Plan Participant.

If the RSU Plan is terminated or suspended, no new RSUs will be credited to the account of RSU Plan Participants. Previously credited RSUs will remain outstanding but will not be entitled to Dividend Equivalents (as such term is defined in the RSU Plan) following suspension or termination unless at the time of suspension or termination the Compensation Committee determines the entitlement to Dividend Equivalents should be continued.

The Compensation Committee shall not require the consent of any affected RSU Plan Participant in connection with a termination of the RSU Plan in which the vesting of all RSUs held by the RSU Plan Participant are accelerated and the Payment Amount (less applicable withholdings) is paid to the RSU Plan Participant in respect of all such RSUs.

The RSU Plan will terminate on the date upon which no further RSUs remain outstanding provided that such termination is confirmed by a resolution of the Compensation Committee.

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 ("**Form 51-102F6V**") 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 next most highly 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>President and CEO⁽¹⁾</i>	2022	95,694	-	5,124	8,820	109,638
Darren Morcombe <i>Interim CEO⁽⁷⁾</i>	2022	-	-	-	29,700	29,700
Scott Nelson <i>Former President and CEO⁽²⁾</i>	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⁽³⁾</i>	2022	211,129	-	-	-	211,129
	2021	28,200	-	-	-	28,200
Hansine Ullberg <i>Former Vice President, Finance and CFO⁽⁴⁾</i>	2021	85,275	-	-	3,702	88,977
Jennifer Kaufield	2022	15,000	-	-	96,000	111,000

Name and position	Year	Salary, consulting fee or retainer (\$)	Bonus (\$)	Value of perquisites⁽⁸⁾ (\$)	Value of all other compensation (\$)	Total compensation (\$)
<i>Former Vice President, Finance and CFO⁽⁵⁾</i>	2021	117,206	-	-	4,283	121,489
Kevin Moran <i>Executive Vice President and CTO⁽⁶⁾</i>	2022	275,000	-	16,214	235,000	526,214
	2021	275,000	50,000	21,850	85,000	431,850

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. During his time as interim CEO, Mr. Morcombe was compensated at a rate of \$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.

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 President and 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 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. Of these options, 2.4 million are exercisable at \$1.27 each, and 2.6 million are exercisable at \$1.25 each. The options have 5 year term to expiry.

Mr. Dubey was required to invest a minimum of \$250,000 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.

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 shared-based awards not paid out or distributed (\$) ⁽⁵⁾
Akshay Dubey <i>President and 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> ⁽⁷⁾	-	-	-	-	-	-	-
Scott Nelson <i>Former President and CEO</i> ⁽¹⁾⁽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	-	-	-
Hansine Ullberg <i>Former Vice President, Finance and CFO</i> ⁽⁴⁾	-	-	-	-	-	-	-
Jennifer Kaufield <i>Former Vice President, Finance and CFO</i> ⁽⁸⁾	50,000	0.69	Jun 9, 2024	24,000	-	-	715,177
Kevin Moran <i>Executive Vice President and CTO</i> ⁽⁴⁾	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	-	-	894,357

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. 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 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.
- (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 \$1.71 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 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>President and 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>	-	n/a	n/a
Hansine Ullberg <i>Former Vice President, Finance and CFO</i>	-	-	-
Jennifer Kaufield <i>Former Vice President, Finance and CFO⁽⁴⁾</i>	150,000 200,000 100,000	1.07 0.80 0.69	31,500 54,000 38,000
Kevin Moran <i>Executive Vice President and CTO</i>	250,000	1.07	70,000

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. Kauffield 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>President and CEO</i> ⁽³⁾	-	-	-
Scott Nelson <i>Former President and CEO</i> ⁽⁴⁾	32,000	-	-
Ingrid Meger <i>Vice President, Finance and CFO</i> ⁽⁵⁾	71,000	-	-
Hansine Ullberg <i>Former Vice President, Finance and CFO</i>	-	-	-
Jennifer Kauffield <i>Former Vice President, Finance and CFO</i> ⁽⁶⁾	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, share-based
- (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. Kauffield 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 Discussion and Analysis*”.

Pension Plan Benefits

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

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 stock option plan.

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

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	Board 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 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) As President and 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 on October 15, 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 DSU Plan on December 15, 2013 and the 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 DSU Plan is to promote the alignment of interests between directors and Shareholders while enabling the Non-Management Directors to participate in the long-term success of the Company through the grant of DSUs.

A summary of the DSU Plan is included in this Circular under the heading "*Statement of Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – DSU Plan*".

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 may be 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 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 Non-Management 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	-	-	56,363
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	-	-	577,600
Jennifer Kauffield ⁽³⁾	-	-	-	-	-	-	-
David Macdonald ⁽⁴⁾	75,000 50,000	0.80 0.69	Apr 30, 2023 Jun 9, 2024	27,750 24,000	-	-	1,108,203
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 \$1.71 per Share.
- (3) Ms. Kauffield 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 on October 15, 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 Kauffield ⁽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
	50,000	0.69	28,699

Notes:

- (1) Ms. Kauffield 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 on October 15, 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 Kauffield ⁽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. No share-based awards were issued to the NEOs in 2022.
- (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 on October 15, 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 Discussion and Analysis.

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.