



***dyna*CERT INC.**

NOTICE OF ANNUAL MEETING  
OF  
SHAREHOLDERS

**To be held on Thursday, June 27, 2024**

**at 11:00 a.m. (Toronto time)**

**at Alliance Banquet Hall,**

**501 Alliance Avenue, Toronto, Ontario, Canada M6N 2J1**

MANAGEMENT INFORMATION CIRCULAR  
AND  
PROXY STATEMENT

May 17, 2024

***dynaCERT INC.***

**NOTICE OF ANNUAL MEETING OF THE SHAREHOLDERS**

**TAKE NOTICE THAT** an Annual Meeting (the "Meeting") of the shareholders of *dynaCERT Inc.* (the "Corporation") will be held at Alliance Banquet Hall, 501 Alliance Avenue, Toronto, Ontario, Canada M6N 2J1 on June 27, 2024 at 11:00 a.m. (Toronto time) for the following purposes:

1. to receive the financial statements of the Corporation as at and for the year ended December 31, 2023, together with the report of the auditors thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting at nine (9);
3. to elect the board of directors of the Corporation to serve until the next annual meeting of the shareholders or until their successors are duly elected or appointed;
4. to appoint the auditors of the Corporation for the ensuing year and to authorize the directors of the Corporation to determine the remuneration to be paid to the auditors; and
5. to transact such other business as may properly come before the Meeting.

Information relating to matters to be acted upon by the shareholders at the Meeting is set forth in the accompanying Management Proxy Circular.

A shareholder may attend the Meeting in person or may be represented at the Meeting by proxy. Shareholders who are unable to attend the Meeting in person and wish to be represented by proxy are requested to date, sign and return the accompanying Instrument of Proxy, or other appropriate form of proxy, in accordance with the instructions set forth in the accompanying Management Proxy Circular and Instrument of Proxy. An Instrument of Proxy will not be valid unless it is received by TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time of the Meeting, or any adjournment thereof. A person appointed as proxy holder need not be a shareholder of the Corporation.

Only shareholders of record as at the close of business on May 8, 2024 (the "Record Date") are entitled to receive notice of the Meeting.

The Corporation has elected to deliver this Notice of Meeting and the accompanying Management Information Circular and form of proxy (collectively, the "Meeting Materials") to shareholders by posting the Meeting Materials on its website at [www.dynacert.com](http://www.dynacert.com) in accordance with the notice and access notification mailed to shareholders of the Corporation. The use of the notice and access procedures under applicable securities laws will reduce the Corporation's printing and mailing costs and is more environmentally friendly by reducing the use of paper. The Meeting Materials will be available on the Corporation's website as of May 27, 2024 and will remain on the website for one (1) full year thereafter. The Meeting Materials will also be available at <http://docs.tsxtrust.com/2197> as of May 27, 2024 and under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com) as of May 27, 2024.

The Corporation will also mail paper copies of the Meeting Materials to those registered and beneficial shareholders who have previously elected to receive or otherwise request paper copies of the Meeting Materials. All other shareholders of the Corporation will receive a notice and access notification containing information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting. Shareholders wishing to receive paper copies of the Meeting Materials can request them from the Corporation by calling TSX Trust Company toll-free in North America at 1-866-600-5869 or by email at [tsxtis@tmx.com](mailto:tsxtis@tmx.com). The Corporation will mail paper copies of the Meeting Materials to requesting shareholders at no cost to them within three business days of their request, if such requests are made before the Meeting. In order for shareholders to receive paper copies in time to vote before the Meeting, the request should be received no later than June 20, 2024.

Should you have any questions regarding information contained in the enclosed documents or if you require assistance in voting your shares, please contact TSX Trust Company toll-free in North America at 1-866-600-5869 or by email at [tsxtis@tmx.com](mailto:tsxtis@tmx.com).

**SHAREHOLDERS ARE CAUTIONED THAT THE USE OF THE MAIL TO TRANSMIT PROXIES IS AT EACH SHAREHOLDER'S RISK.**

DATED at Toronto, Ontario as of the 17<sup>th</sup> day of May, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS**

(signed) "*James Payne*"

James Payne  
Chairman of the Board, Chief Executive Officer and a  
Director

*dynaCERT* INC.

**MANAGEMENT PROXY CIRCULAR**

(Unless otherwise stated, information contained herein is given as of May 17, 2024)

**INFORMATION REGARDING PROXIES AND VOTING AT THE MEETING**

**Solicitation of Proxies**

This Management Proxy Circular is furnished in connection with the solicitation of proxies by the management of *dynaCERT* Inc. (the "Corporation" or "*dynaCERT*") for use at the Annual Meeting of the holders (the "Shareholders") of common shares ("Common Shares") of the Corporation to be held at Alliance Banquet Hall, 501 Alliance Avenue, Toronto, Ontario, Canada M6N 2J1 on Thursday, June 27, 2024 at 11:00 a.m. (Toronto time) (the "Meeting"), for the purposes set forth in the Notice of Annual Meeting (the "Notice") accompanying this Management Proxy Circular. Solicitation of proxies will be primarily by mail, but may also be undertaken by way of telephone, facsimile or oral communication by the directors, officers and regular employees of the Corporation, at no additional compensation. Costs associated with the solicitation of proxies will be borne by the Corporation.

**Appointment of Proxyholders**

Accompanying this Management Proxy Circular is an instrument of proxy for use at the Meeting. Shareholders who are unable to attend the Meeting in person and wish to be represented by proxy are required to date and sign the enclosed instrument of proxy and return it in the enclosed return envelope. **All properly executed instruments of proxy for Shareholders must be mailed or couriered to reach the offices TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1 not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) (i.e.: 11:00 am Toronto time on Tuesday, June 25, 2024) prior to the time set for the Meeting or any adjournment thereof.**

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

**Signing of Proxy**

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

**Revocability of Proxies**

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

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

All Common Shares represented at the Meeting by properly executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the instrument of

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

### **Notice-and-Access**

We have elected to use the "notice-and-access" provisions under National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer* (the "**Notice-and-Access Provisions**") for the Meeting to Shareholders who do not hold their Common Shares in their own name. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that the Corporation must physically mail to its Shareholders by allowing the Corporation to post its Management Proxy Circular in respect of the Meeting and related materials online.

The Corporation will not employ what is known as "stratification." Stratification occurs when a reporting issuer using Notice-and-Access Provisions provides a paper copy of their information circular with the notice to certain groups of Shareholders. For the Meeting, all Shareholders will receive the Meeting Materials under the Notice-and-Access Provisions. The Corporation will only mail paper copies of the Meeting Materials to those registered and beneficial shareholders who have previously elected to receive or otherwise request paper copies of the Meeting Materials. All other Shareholders of the Corporation will receive a notification containing information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting.

The Corporation anticipates that notice-and-access will directly benefit the Corporation through substantial reductions in postage and printing costs. The Corporation believes that notice-and-access is also environmentally responsible to the extent that it decreases the large volume of paper documents generated by printing proxy related materials.

Meeting materials are available electronically under the Corporation's profile at [www.sedar.com](http://www.sedar.com) and also at <http://docs.tsxtrust.com/2197>.

Shareholders wishing to receive a paper copy of the Meeting materials or those who have questions about notice-and-access, can call 1-866-600-5869 or email [tsxtis@tmx.com](mailto:tsxtis@tmx.com).

In order to receive a paper copy of this Circular and other relevant information, requests by Shareholders may be made up to one year from the date the Circular was filed on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") by: (i) mailing a request to the Corporation at 501 Alliance Avenue, Toronto, Ontario, Canada M6N 2J1, Attention: Chief Executive Officer; or (ii) calling the Corporation at 416-766-9691. The Corporation estimates that a Shareholder's request for paper copies of the Circular and other relevant information will need to be received prior to June 20, 2024 in order for such Shareholder to have sufficient time to receive and review the materials requested and return the completed form of proxy as set forth in this Circular.

## **RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

### **Voting Shares and Record Date**

The authorized share capital of the Corporation consists of an unlimited number of Common Shares. The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is Wednesday, May 8, 2024 (the "Record Date"). As at the Record Date, there were 416,512,516 Common Shares issued and outstanding as fully paid and non-assessable.

## **Common Shares**

The holders of Common Shares are entitled to notice of and to vote at all annual and special meetings of Shareholders and are entitled to one vote per Common Share. The holders of Common Shares are entitled, upon dissolution, to receive the remaining property of the Corporation.

### **Voting of Common Shares – General**

Only Shareholders whose names are entered in the Corporation's register of shareholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

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

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

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

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

Intermediaries are required to forward meeting materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Typically, Intermediaries will use a service company (such as Broadridge Investor Communication Solutions ("Broadridge")) to forward Meeting Materials to Non-Registered Holders.

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

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

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

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

### **Principal Holders of Common Shares**

To the knowledge of the directors and executive officers of the Corporation, as at the Record Date, no single shareholder beneficially owns, directly or indirectly, or exercises control or direction over ten percent (10%) or more of the votes attached to the shares of the Corporation.

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

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

### **STATEMENT OF EXECUTIVE COMPENSATION**

#### ***GENERAL***

The following information is provided in accordance with Form 51-102F6 – *Statement of Executive Compensation* (the "Form"), in such form as defined by National Instrument 51-102.

For the purposes of this Form, a "Named Executive Officer", or "NEO", means each of the following individuals:

- (a) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief executive officer ("CEO"), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief financial officer ("CFO"), including an individual performing functions similar to a CFO;
- (c) each of the three most highly compensated executive officers of the Corporation, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

Based on the foregoing definitions, the Corporation's NEO's in respect of the year ended December 31, 2023 were: James Payne, President and CEO; Carmelo Marrelli, Chief Financial Officer (until March 31, 2023); and Jean-Pierre Colin, Executive Vice-President, Chief Financial Officer (commencing March 31, 2023) and Corporate Secretary; and Khoa Tran, Director of Finance.

#### ***COMPENSATION DISCUSSION AND ANALYSIS***

The Corporation has a Compensation and Nominating Committee, which is comprised of Dr. James Tansey (Chair), Brian Warner and Tanya Rowntree. The Compensation and Nominating Committee makes recommendations to the Board of Directors, which then determines the compensation of the Corporation's directors, NEOs and senior officers that the Board of Directors (having regard to the recommendations of the Compensation and Nominating Committee) determines is suitable, primarily by comparison of the remuneration paid by other companies that are similar to the business and size of the Corporation.

With respect to the overall objectives of its compensation practices, and taking into consideration its current stage of development, the Corporation determines the specific amounts of compensation to be paid to each of the Named Executive Officers based on a number of factors, including: (i) the Corporation's understanding of the amount of compensation generally paid by similar companies to the named executive officers with similar roles and responsibilities; (ii) the Named Executive Officers' performance during the fiscal year; (iii) the roles and responsibilities of the Corporation's Named Executive Officers; (iv) the individual experience, the skills of, and expected contributions from each of the Named Executive Officers having regard for the Corporation's current stage of development and its general perspectives; (v) the amounts of compensation being paid to the other Named Executive Officers; and (vi) any other contractual commitments that the Corporation has made to its Named Executive Officers regarding compensation. Market comparisons as well as evaluation of similar positions in the same industry and in the same geography are also considered in determining compensation levels. Following a review of such criteria and the recommendations of the Compensation and Nominating Committee, the Board of Directors determines compensation amounts and methods as it sees fit and reasonable.

The objective of the Board of Directors in setting compensation levels is to attract and retain individuals of very high calibre to serve as officers of the Corporation, to motivate their performance in order to achieve the Corporation's important strategic objectives and to align the interests of executive officers with both the short-term and the long-term interests of the Shareholders, while at the same time preserving cash flows. These objectives are designed to ensure that the Corporation continues to grow as well as to grow cash flow and earnings for Shareholders. The Board of Directors sets the compensation received by NEOs so as to be generally competitive with the compensation received by persons with similar qualifications and responsibilities who are engaged by other companies of corresponding size, stage of development, having similar assets, number of employees, market capitalizations and profit margin. In setting such levels, the Board of Directors relies on their own long-term experience and knowledge of the Canadian capital markets and Canadian business in general.

### **Base Salary**

The Corporation provides the Named Executive Officers with a base salary that is competitive with what it knows of the base salaries of other executive officers in similar companies while taking into account its current stage of development. The Corporation believes that a competitive base salary is an important element in attracting and retaining talented and experienced executives. The Corporation also believes that attractive base salaries can motivate and reward Named Executive Officers for their overall performance. The base salary of each Named Executive Officer is reviewed annually. Base salaries depend on the experience, skills and expected contribution of each Named Executive Officer, as well as the Named Executive Officer's role, responsibilities and other factors. The base salary assessment and annual revisions, if any, to each Named Executive Officer's base salary are made in accordance with the compensation structure and stage of development of the Corporation. Base salary and annual revisions are approved by the Board after reviewing the recommendations of the Compensation and Nominating Committee.

### **Annual Cash Incentive Bonuses**

The Corporation has not yet established a formal annual incentive program (annual bonuses). Under their respective employment terms or the Corporation's compensation structure, each Named Executive Officer is eligible to receive a discretionary annual cash incentive bonus, based on performance and the achievement of objectives, the whole subject to the financial situation of the Corporation and the review of the recommendations of the Compensation and Nominating Committee.

### **Securities-Based Awards**

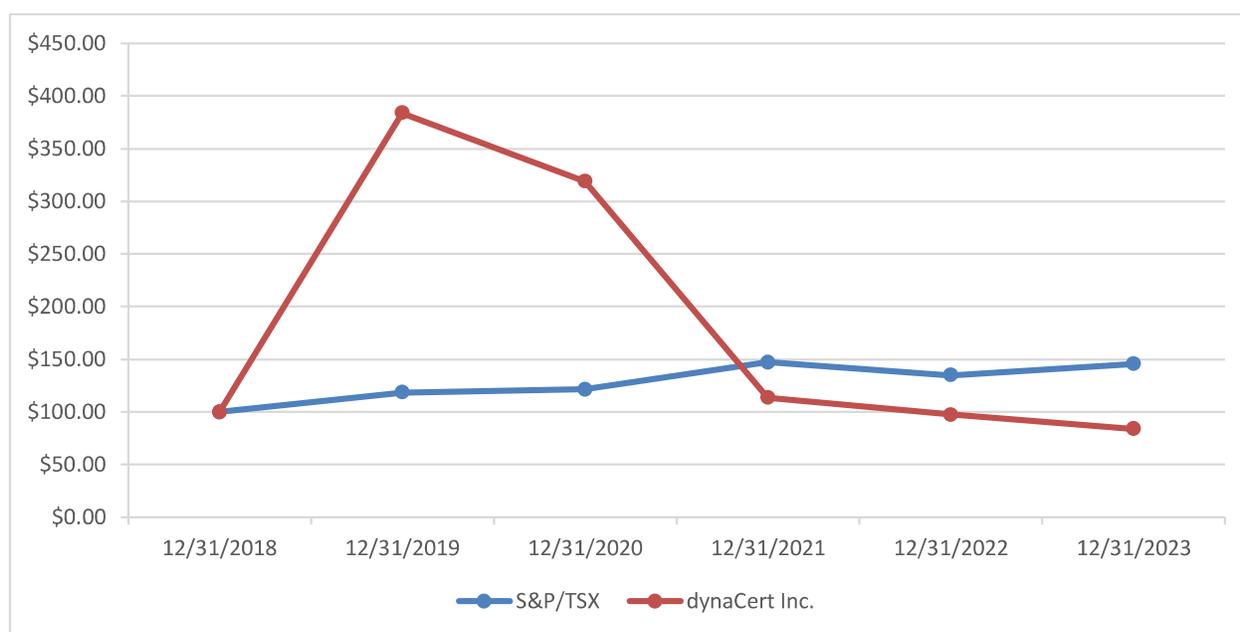
The Corporation's granting of stock options to Named Executive Officers under the stock option plan is a method of compensation that is used to attract and retain personnel and to provide an incentive to participate in the long-term development of the Corporation and to increase shareholder value. The relative emphasis of stock options for compensating Named Executive Officers will generally vary depending on the number of Common Shares held by such persons and the number of stock options that are outstanding from time to time. The Corporation generally expects future grants of stock options should be based on the following factors: (i) the terms and conditions of the employment agreements of Named Executive Officers; (ii) the Named Executive Officer's past performance; (iii) the Named Executive Officer's anticipated future contribution; (iv) the prior stock option grants to such Named Executive Officer; (v) the level of vested and unvested stock options; (vi) the Corporation's overall performance and the Named

Executive Officer's contribution thereto; and (vii) the market practices and the Named Executive Officer's responsibilities and performance. The Corporation has not set specific target levels for the granting of stock options to Named Executive Officers but seeks to be competitive with similar companies. The Corporation has also approved a Restricted Share Unit Plan, under which Named Executive Officers may also be eligible to receive awards. No grants of Restricted Share Units have been made to date, though the criteria for any future grants are expected to be similar to those employed in assessing and awarding grants of stock options.

For a summary of the main terms and conditions of the Corporation's stock option plan and Restricted Share Unit Plan, see "Stock Option Plans and Other Incentive Plans" below.

### Performance Graph

The following graph compares the cumulative total return on a \$100 investment in Common Shares of the Corporation made on December 31, 2018 to the cumulative total return on the S&P/TSX Composite Index until December 31, 2023 (as of December 31 in each of the five (5) previously completed financial year-ends).



There is no direct correlation between the trend of the Corporation's share performance evidenced by the table above and the Corporation's compensation to executive officers over the period of reference. The stock prices of companies within the Corporation's industry can be volatile and subject to various market conditions. Rather than being based on the performance of the Corporation's share price, the trend of the Corporation's compensation to executive officers has evolved to reflect the achievement of important developments and milestones of the Corporation, while also accounting for industry norms and compensation standards. In reviewing the performance graph above, it should also be noted that the Corporation's Common Shares started to trade on the Toronto Stock Exchange on July 7, 2020.

### Compensation Governance

The Board has established the Compensation and Nominating Committee, which is comprised of independent directors responsible, amongst other things, for reviewing compensation matters having regard for the factors discussed above and making recommendations to the Board regarding the compensation of the Named Executive Officers. The current members of the Compensation and Nominating Committee are Dr. James Tansey (Chair), Brian Warner and Tanya Rowntree. The Board has approved a written mandate for the Compensation and Nominating Committee, a copy of which is available on the Corporation's website at [www.dynacert.com](http://www.dynacert.com). Each of the members of the committee has extensive experience with employment and compensation matters, most having served as officers and directors of various private and public companies.

## SUMMARY COMPENSATION TABLE

### Director and NEO compensation, excluding stock options and other compensation securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation, or a subsidiary of the Corporation to each NEO of the Corporation, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO for services provided and for services to be provided, directly or indirectly, to the Corporation, for each of the Corporation's three (3) most recently completed financial years:

Name and principal position	Year (ended Dec. 31)	Base Salary (\$)	Option based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
				Annual incentive plans	Long-term incentive plans			
James Payne <i>President<sup>(2)</sup>, CEO and Director</i>	2023	286,000	Nil	Nil	Nil	Nil	29,250 <sup>(3)</sup>	315,250
	2022	286,000	165,000	Nil	Nil	Nil	12,000 <sup>(3)</sup>	463,000
	2021	286,000	236,250	Nil	Nil	Nil	12,000 <sup>(3)</sup>	534,250
Carmelo Marrelli <i>Chief Financial Officer<sup>(4)</sup></i>	2023	15,000	Nil	Nil	Nil	Nil	Nil	15,000
	2022	60,000	44,000	Nil	Nil	Nil	Nil	104,000
	2021	60,000	63,000	Nil	Nil	Nil	Nil	123,000
Jean-Pierre Colin <i>Executive Vice President, Chief Financial Officer, Corporate Secretary and Director<sup>(5)</sup></i>	2023	243,100	Nil	Nil	Nil	Nil	94,250 <sup>(3)(5)</sup>	337,350
	2022	243,100	165,000	Nil	Nil	Nil	12,000 <sup>(3)</sup>	420,000
	2021	243,100	236,250	Nil	Nil	Nil	17,440 <sup>(3)</sup>	496,790
Khoa Tran <i>Director of Finance</i>	2023	150,000	Nil	Nil	Nil	Nil	Nil	150,000
	2022	150,000	88,000	Nil	Nil	Nil	Nil	237,999
	2021	155,769	110,250	Nil	Nil	Nil	Nil	266,019

#### Notes:

- (1) The value of stock options was estimated based on the Black-Scholes model for establishing the price of options based on the following weighted-average assumptions:

	2021	2022	2023
Expected life of options	5 years	5 years	5 years
Expected volatility rate	Jan. 8/21 – 106.20% May 30/21 – 104.31%	Aug. 25/22 – 101.39% Oct 23/22 – 115.73%	Feb. 7/23 – 99.86% Mar 28/23 – 99.37%
Risk-free interest rate	Jan. 8/21 – 0.44% May 30/21 – 0.90%	Aug. 25/22 – 3.23% Oct 23/22 – 3.71%	Feb. 7/23 – 3.23% Mar 28/23 – 3.71%
Expected annual dividend rate	-	-	-

- (2) Effective May 15, 2024, Mr. Bernd Krueper was appointed President of the Corporation. At that time, Mr. Payne was appointed Chairman and Mr. Hoffman was appointed Lead Director.
- (3) Represents fees in respect of services provided as a director of the Corporation.
- (4) Mr. Carmelo Marrelli served as Chief Financial Officer from January 11, 2019 to March 31, 2023.
- (5) Mr. Colin was appointed as a director of the Corporation on December 16, 2016, as Corporate Secretary on January 11, 2019, as Executive Vice President in March 2020 and as interim Chief Financial Officer on March 31, 2023. All Other Compensation in respect of the year ended December 31, 2023 includes a one-time bonus of \$65,000 in respect of CFO services in 2023.

### External Management Companies

Each of the NEOs is an employee of the Corporation. None of the NEOs provide executive management services through external management companies.

## INCENTIVE PLAN AWARDS TABLE

### Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all outstanding compensation securities granted or issued to Named Executive Officers by the Corporation that were outstanding as at the end of the fiscal year ended December 31, 2023.

Name	Date of issue	Number of securities underlying unexercised options	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	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 (\$)
James Payne <i>President<sup>(2)</sup>, Chief Executive Officer and Director</i>	Aug. 25, 2022	750,000	0.30	Aug. 25, 2027	Nil	Nil	Nil	Nil
	May 30, 2021	750,000	0.50	May 30, 2026	Nil			
	Jul. 2, 2020	750,000	0.70	Jul. 2, 2025	Nil			
	Dec. 9, 2019	1,000,000	0.52	Dec. 9, 2024	Nil			
Carmelo Marrelli <i>Chief Financial Officer<sup>(3)</sup></i>	Aug. 25, 2022	200,000	0.30	Aug. 25, 2027	Nil	Nil	Nil	Nil
	May 30, 2021	200,000	0.50	May 30, 2026	Nil			
	Jul. 2, 2020	200,000	0.70	Jul. 2, 2025	Nil			
	Dec. 9, 2019	100,000	0.52	Dec. 9, 2024	Nil			
Jean-Pierre Colin <i>Executive Vice President, Chief Financial Officer, Corporate Secretary and Director<sup>(4)</sup></i>	Aug. 25, 2022	750,000	0.30	Aug. 25, 2027	Nil	Nil	Nil	Nil
	May 30, 2021	750,000	0.50	May 30, 2026	Nil			
	Jul. 2, 2020	750,000	0.70	Jul. 2, 2025	Nil			
Khoa Tran <i>Director of Finance</i>	Oct. 23, 2022	50,000	0.30	Oct. 23, 2027	Nil	Nil	Nil	Nil
	Aug. 25, 2022	350,000	0.30	Aug. 25, 2027	Nil			
	May 30, 2021	350,000	0.50	May 30, 2026	Nil			
	Jul. 2, 2020	200,000	0.70	Jul. 2, 2025	Nil			
	Dec. 9, 2019	100,000	0.52	Dec. 9, 2024	Nil			

#### Notes:

- (1) The closing price of the Corporation's Common Shares on December 31, 2023 was \$0.155.
- (2) Effective May 15, 2024, Mr. Bernd Krueper was appointed President of the Corporation. At that time, Mr. Payne was appointed Chairman and Mr. Hoffman was appointed Lead Director.
- (3) Mr. Carmelo Marrelli served as Chief Financial Officer from January 11, 2019 to March 31, 2023.
- (4) Mr. Colin was appointed as a director of the Corporation on December 16, 2016, as Corporate Secretary on January 11, 2019, as Executive Vice President in March 2020 and as interim Chief Financial Officer on March 31, 2023.
- (5) In addition to serving as a director of the Corporation (and receiving compensation in such capacity), Mr. Farahi also wholly-owns a private company that is one of the Corporation's agents and a private company that provides business / government relations advisory services to the Corporation.

The following table sets forth, for each Named Executive Officer, the value of all awards vested and earned during the fiscal year ended December 31, 2023.

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
James Payne <i>President, Chief Executive Officer and Director</i>	Nil	N/A	N/A

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Carmelo Marrelli <i>Chief Financial Officer</i>	Nil	N/A	N/A
Jean-Pierre Colin <i>Executive Vice President, Chief Financial Officer, Corporate Secretary and Director</i>	Nil	N/A	N/A
Khoa Tran <i>Director of Finance</i>	Nil	N/A	N/A

**Notes:**

(1) All stock options vested immediately on the date of grant and were issued with exercise prices equal to the market price on the dates of grant. Accordingly, the values expressed in the table above represent the value of all options granted (and immediately vested) during the financial year ended (and as at) December 31, 2023. The closing price of the Corporation's Common Shares on December 31, 2023 was \$0.155.

***PENSION PLAN BENEFITS***

The Corporation does not presently have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement for the Directors and NEOs.

***TERMINATION AND CHANGE OF CONTROL BENEFITS***

The Corporation does not have written agreements for termination or change of control provisions with any of its NEOs.

***DIRECTOR COMPENSATION***

**Directors Generally**

For the fiscal year ended December 31, 2023, the Board of Directors (the "Board") (after considering the recommendations of the Compensation and Nominating Committee) had the responsibility of establishing the compensation to be paid to the directors of the Corporation. The Board, directly or through one of its committees, reviews the compensation payable to the directors at least once a year, taking into account the Corporation's financial situation.

The terms of the compensation payable to directors in respect of the year ended December 31, 2023 were as follows:

- Board members – \$2,916.67 per month
- Chairman of the Board – \$4,166.67 per month
- Audit Committee Chairman – \$1,250 per month
- Audit Committee Member (non-Chair) – \$416.67 per month
- Other Committee Chairman – \$833.33 per month
- Other Committee Member (non-Chair) – \$416.67 per month

All directors are entitled to be reimbursed for reasonable travel expenses incurred with respect to their attendance at meetings of the Board and any Committees thereof. In addition, they are all eligible to receive stock options pursuant to the Corporation's stock option plan. During the fiscal year ended December 31, 2023, a total of NIL stock options were granted to directors (in their capacities as directors) who are not also NEOs.

## Director Compensation Table

During the fiscal year ended December 31, 2023, the aggregate amount paid to the directors who were not also NEOs, as compensation for their services as directors and members of Committees of the Board amounted to \$157,083 in cash payments or \$157,083 in total compensation (after accounting for stock option grants using the Black-Scholes model).

The following table details the compensation paid or accrued to the Corporation's directors (other than NEOs) for their service as directors for the year ended December 31, 2023.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Wayne Hoffman <i>Chairman<sup>(2)</sup> and Director</i>	53,443	Nil	Nil	Nil	N/A	Nil	53,443
Richard Lu <sup>(3)</sup> <i>Director</i>	4,826	Nil	Nil	Nil	N/A	Nil	4,826
Amir Farahi <i>Director</i>	36,602	Nil	Nil	Nil	N/A	76,650 <sup>(4)</sup>	113,252
Brian Warner <i>Director<sup>(5)</sup></i>	23,333	Nil	Nil	Nil	N/A	Nil	23,333
Jeff Zajac <i>Director<sup>(6)</sup></i>	38,051	Nil	Nil	Nil	N/A	Nil	38,051
Bruce Barnaby <i>Director<sup>(7)</sup></i>	29,167	Nil	Nil	Nil	N/A	Nil	29,167
Tracy Weslosky <i>Director<sup>(8)</sup></i>	8,163	Nil	Nil	Nil	N/A	Nil	8,163

### Note:

- (1) The value of stock options was estimated based on the Black-Scholes model for establishing the price of options based on the following weighted-average assumptions:

	2021	2022	2023
Expected life of options	5 years	5 years	5 years
Expected volatility rate	Jan. 8/21 – 106.20% May 30/21 – 104.31%	Aug. 25/22 – 101.39% Oct 23/22 – 115.73%	Feb. 7/23 – 99.86% Mar 28/23 – 99.37%
Risk-free interest rate	Jan. 8/21 – 0.44% May 30/21 – 0.90%	Aug. 25/22 – 3.23% Oct 23/22 – 3.71%	Feb. 7/23 – 3.23% Mar 28/23 – 3.71%
Expected annual dividend rate	-	-	-

- (2) Effective May 15, 2024, Mr. Bernd Krueper was appointed President of the Corporation. At that time, Mr. Payne was appointed Chairman and Mr. Hoffman was appointed Lead Director.
- (3) Mr. Lu served as a director of the Corporation from January 21, 2014 until March 27, 2023.
- (4) In addition to serving as a director of the Corporation (and receiving compensation in such capacity), Mr. Farahi also wholly-owns a private company that is one of the Corporation's agents (which received commissions in the amount of \$9,930 for the financial year ended December 31, 2023) and wholly-owns a private company that provides business / government relations advisory services to the Corporation (which received consulting fees in the amount of \$66,720 for the financial year ended December 31, 2023).
- (5) Mr. Warner was elected as a director of the Corporation on June 29, 2023.
- (6) Mr. Zajac served as a director of the Corporation until September 22, 2023.
- (7) Mr. Barnaby was elected as a director of the Corporation on June 29, 2023.
- (8) Ms. Weslosky was elected as a director of the Corporation on June 29, 2023. She resigned as a director on September 22, 2023.

The following table summarizes all outstanding compensation securities granted or issued to directors (who are not also NEOs) that remained outstanding as at the end of the fiscal year ended December 31, 2023.

Option-based Awards						Share-based Awards		
Name	Date of issue	Number of securities underlying unexercised options	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	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 (\$)
Wayne Hoffman <i>Chairman<sup>(2)</sup> and Director</i>	Aug. 25, 2022	125,000	0.30	Aug. 25, 2027	Nil	Nil	Nil	Nil
	May 30, 2021	300,000	0.50	May 30, 2026	Nil			
	Jul. 2, 2020	275,000	0.70	Jul. 2, 2025	Nil			
	Dec. 9, 2019	275,000	0.52	Dec. 9, 2024	Nil			
Amir Farahi <i>Director</i>	Aug. 25, 2022	300,000	0.30	Aug. 25, 2027	Nil	Nil	Nil	Nil
	May 30, 2021	300,000	0.50	May 30, 2026	Nil			
	Jul. 2, 2020	125,000	0.70	Jul. 2, 2025	Nil			
	Dec. 9, 2019	125,000	0.52	Dec. 9, 2024	Nil			

**Note:**

- (1) The closing price of the Corporation's Common Shares on December 31, 2023 was \$0.155.
- (2) Mr. Bernd Krueper was appointed President of the Corporation effective May 15, 2024. At that time, Mr. Payne was appointed Chairman and Mr. Hoffman was appointed Lead Director.

The following table sets forth, for each Director (who is not also an NEO), the value of all awards vested and earned during the fiscal year ended December 31, 2023.

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Wayne Hoffman <i>Chairman<sup>(2)</sup> and Director</i>	Nil	N/A	N/A
Richard Lu <sup>(3)</sup> <i>Director</i>	Nil	N/A	N/A
Amir Farahi <i>Director</i>	Nil	N/A	N/A
Brian Warner <i>Director<sup>(4)</sup></i>	Nil	N/A	N/A
Jeff Zajac <i>Director<sup>(5)</sup></i>	Nil	N/A	N/A
Bruce Barnaby <i>Director<sup>(6)</sup></i>	Nil	N/A	N/A
Tracy Weslosky <i>Director<sup>(7)</sup></i>	Nil	N/A	N/A

**Notes:**

- (1) All stock options vested immediately on the date of grant and were issued with exercise prices equal to the market price on the date of grants. Accordingly, the values expressed in the table above represent the value of all options granted (and immediately vested) during the financial year ended (and as at) December 31, 2023. The closing price of the Corporation's Common Shares on December 31, 2023 was \$0.155.
- (2) Effective May 15, 2024, Mr. Bernd Krueper was appointed President of the Corporation. At that time, Mr. Payne was appointed Chairman and Mr. Hoffman was appointed Lead Director.
- (3) Mr. Lu served as a director of the Corporation from January 21, 2014 until March 27, 2023.
- (4) Mr. Warner was elected as a director of the Corporation on June 29, 2023.
- (5) Mr. Zajac served as a director of the Corporation until September 22, 2023.
- (6) Mr. Barnaby was elected as a director of the Corporation on June 29, 2023.
- (7) Ms. Weslosky was elected as a director of the Corporation on June 29, 2023. She resigned as a director on September 22, 2023.

## ***STOCK OPTION PLANS AND OTHER INCENTIVE PLANS***

The Corporation has no other incentive plans other than its stock option plan (the "Option Plan") and its restricted share unit plan (the "RSU Plan").

### **Stock Option Plan**

The Option Plan is a rolling stock option plan for employees, officers and directors of the Corporation or one of its subsidiaries and for consultants. The Option Plan has been prepared so as to meet the requirements of the Toronto Stock Exchange (the "TSX" or the "Exchange"). The Option Plan provides that the Board of Directors may from time to time, in its discretion grant to directors, officers and employees of the Corporation and to consultants retained by the Corporation, non-transferable options to purchase Common Shares, or such other shares as may be substituted therefore, in the capital of the Corporation for a period of up to ten (10) years from the date of the grant, provided that the number of Common Shares reserved for issuance under the Option Plan and any other compensation plan may not (collectively) exceed ten percent (10%) of the total issued and outstanding Common Shares of the Corporation at the date of the grant.

The purpose of the Option Plan is to advance the interests of the Corporation by encouraging the directors, officers and employees of the Corporation and consultants retained by the Corporation to acquire Common Shares, thereby: (i) increasing the proprietary interests of such persons in the Corporation; (ii) aligning the interests of such persons with the interests of the Corporation's Shareholders generally; (iii) encouraging such persons to remain associated with the Corporation; and (iv) furnishing such persons with an additional incentive in their efforts on behalf of the Corporation.

The following is a summary of the material terms of the Option Plan and is qualified in its entirety by the full text of the Option Plan:

- The maximum number of Common Shares to be reserved and authorized for issuance pursuant to options granted under the Option Plan and all other compensation plans of the Corporation (including the RSU Plan) shall not (collectively) exceed ten percent (10%) of the total number of issued and outstanding Common Shares of the Corporation from time to time.
- Under the Option Plan, the aggregate number of optioned Common Shares granted to any one optionee in a 12-month period must not exceed 5% of the Corporation's issued and outstanding shares. The number of optioned Common Shares granted to any one consultant in a 12-month period must not exceed 2% of the Corporation's issued and outstanding shares. The aggregate number of optioned Common Shares granted to an optionee who is employed to provide investor relations' services must not exceed 2% of the Corporation's issued and outstanding Common Shares in any 12-month period.
- The exercise price for options granted under the Option Plan will not be less than the market price of the Corporation's Common Shares at the time of the grant.
- Options will be exercisable for a term of up to ten (10) years, subject to earlier termination in the event of the optionee's death or the cessation of the optionee's services to the Corporation. Options will terminate on the earlier of the date of the expiration of the options and ninety (90) days after the optionee ceases to hold the position or positions of director, officer, employee or consultant of the Corporation. In the case of optionees who perform investor relations services, such options shall terminate on the date that is thirty (30) days after the termination of the employment or cessation of services.
- Options granted under the Option Plan are non-transferable and non-assignable, except by will or by the laws of descent and distribution.
- The participation of Insiders of the Corporation is limited under the Option Plan such that: (i) the number of Common Shares issuable to Insiders of the Corporation pursuant to the Option Plan and any other security-based compensation arrangement of the Corporation cannot exceed, at any time, ten percent (10%) of the Corporation's issued and outstanding Common Shares; and (ii) the number of Common Shares issued to Insiders of the Corporation pursuant to the Option Plan and any other security-based compensation arrangement of the Corporation cannot exceed, within any one year period, ten percent (10%) of the Corporation's issued and outstanding Common Shares.

In accordance with the Option Plan, the Corporation may grant an aggregate number of options (when added together with outstanding RSU's) that allow the holders to purchase a maximum number of the Corporation's Common Shares corresponding to ten percent (10%) of the number of outstanding Common Shares from time to time. As of December 31, 2023, 40,621,407 Common Shares represented ten percent (10%) of the outstanding Common Shares of the Corporation. As of December 31, 2023, there were 34,951,000 Common Shares issuable upon the exercise of outstanding stock options, representing approximately 8.60% of the issued and outstanding Common Shares. Accordingly, there were 5,670,407 Common Shares available for grant under the Option Plan and the RSU Plan, in aggregate, representing approximately 1.40% of the issued and outstanding Common Shares.

As of the date of this Management Proxy Circular, 41,651,251 Common Shares represents ten percent (10%) of the outstanding Common Shares of the Corporation. There are currently 29,396,000 Common Shares issuable upon the exercise of outstanding stock options (and no RSUs), representing approximately 7.06% of the issued and outstanding Common Shares. Accordingly, there are 12,255,251 Common Shares available for grant under the Option Plan and RSU Plan, in aggregate, representing approximately 2.94% of the issued and outstanding Common Shares. For the period from January 1, 2024 to the date of this Circular, 5,555,000 stock options expired or were exercised or cancelled and NIL stock options were granted under the Option Plan.

The table below summarizes the burn rates in connection with the Corporation's Option Plan during the fiscal years ended December 31, 2021, 2022 and 2023.

	2021	2022	2023
Burn Rate <sup>(1)</sup>	2.31%	2.17%	1.97%

**Notes:**

(1) Burn rate represents: (total stock options granted during the applicable fiscal year) ÷ (weighted average of total Common Shares issued and outstanding for the applicable fiscal year). The weighted average number of Common Shares outstanding during the period is the number of Common Shares outstanding at the beginning of the period, adjusted by the number of Common Shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the Common Shares are outstanding as a proportion of the total number of days in the period.

**Restricted Share Unit Plan**

The RSU Plan is administered by the Compensation and Nominating Committee under the supervision of the Board of Directors as compensation to officers, directors, consultants, and employees. The Compensation and Nominating Committee determines the terms and conditions upon which a grant is made, including any performance criteria or vesting period. The purpose of the RSU Plan is to further align the interests of the Corporation's senior executives, key employees, consultants and directors with those of the Corporation's Shareholders. The following is a summary of the material terms of the RSU Plan. The summary is qualified in its entirety by the full text of the RSU Plan.

- Under the RSU Plan, eligible persons may (at the discretion of the Board) be allocated a number of RSUs as the Board deems appropriate, with vesting provisions also to be determined by the Board, subject to a maximum vesting term of three (3) years from the end of the calendar year in which RSUs were granted.
- All RSUs are to be evidenced by award agreements entered into in accordance with the RSU Plan.
- Upon vesting, each RSU entitles the participant to receive one Common Share, provided that the participant is continuously employed with or providing services to the Corporation. RSUs track the value of the underlying Common Shares, but do not entitle the recipient to the underlying Common Share until such RSUs vest, nor do they entitle a holder to exercise voting rights or any other rights attached to ownership or control of the Common Shares, until the RSU vests and the RSU participant receives Common Shares.
- Upon vesting eligible participants shall be entitled to a cash payment equal to the number of RSUs granted, multiplied by the fair market value of the Common Shares on the redemption date or such number of Common Shares equal to the whole number of RSUs multiplied by the fair market value of the Common Shares on the redemption, such cash payment or Common Share issuance to be at the sole discretion of the Corporation.
- The maximum number of Common Shares to be reserved and authorized for issuance pursuant to RSUs granted under the RSU Plan and all other compensation plans of the Corporation (including the Option Plan) shall not (collectively) exceed ten percent (10%) of the total number of issued and outstanding Common Shares of the Corporation, from time to time.

- If the Corporation pays a dividend on the Common Shares outstanding subsequent to granting of RSUs, (the "Original RSUs") such Original RSUs shall be increased by an amount equal to: (a) the product of: (i) the aggregate number of Original RSUs held by the participant on the record date for such dividend; and (ii) the per Common Share amount of such dividend (or, in the case of any dividend payable in property other than cash, the per Common Share fair market value of such property as determined by the Compensation and Nominating Committee); divided by (b) the fair market value of the Common Shares on the date that the dividend is declared.
- In the event that the Corporation pays a dividend on the Common Shares in additional Common Shares, the number of Original RSUs shall be increased by a number equal to the product of: (a) the aggregate number of Original RSUs held by the participant on the record date of such dividend; and (b) the number of Common Shares (including any fraction thereof) payable as a dividend on one Common Share.
- The grant of any RSUs is subject to the following restrictions: (a) the aggregate number of Common Shares reserved for issuance pursuant to RSUs granted to any one individual in any twelve (12) month period shall not exceed one percent (1%) 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 RSUs granted to Insiders (as defined in the policies of the TSXV), as a group, shall not exceed two percent (2%) of the issued and outstanding Common Shares, unless disinterested Common Shareholder approval is obtained; and (c) the aggregate number of Common Shares reserved for issuance pursuant to RSUs granted to any one individual in any twelve (12) month period, when combined with stock options granted under the Corporation's Stock Option Plan, shall not exceed five percent (5%) of the issued and outstanding Common Shares, unless disinterested Common Shareholder approval is obtained.
- The Board has the discretion under the RSU plan to permit the acceleration of the vesting date of any RSUs, all in the manner and on the terms as may be authorized by the Board.

As of the date of this Management Proxy Circular, there have been no RSU's issued. As there are currently 29,396,000 Common Shares issuable upon the exercise of outstanding stock options, representing approximately 7.06% of the issued and outstanding Common Shares, there are an aggregate of 12,255,251 RSUs available for issuance, provided however that the number of RSUs available for issuance shall fluctuate with grants (downwards), exercises (upwards), expiries (upwards) and cancellations (upwards) of stock options.

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

The following table sets out information as at the end of the Corporation's most recently completed financial year with respect to compensation plans under which equity securities of the Corporation are authorized for issuance.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	
<b>Equity compensation plans approved by security holders</b>	34,951,000	\$0.41	5,670,407
<b>Equity compensation plans not approved by security holders</b>	Nil	N/A	N/A
<b>Total</b>	34,951,000	\$0.41	5,670,407

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

None of the directors, officers or employees of the Corporation, former directors, officers or employees of the Corporation, any proposed management nominee for election as a director of the Corporation or any associate of any director, officer or proposed management nominee is indebted to the Corporation as at the Record Date.

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

Except as disclosed in this Management Proxy Circular, none of the informed persons of the Corporation (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*), nor any proposed nominee for election as a

director of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which, in either case, has or will materially affect the Corporation and none of such persons has any material interest in any transaction proposed to be undertaken by the Corporation that will materially affect the Corporation, except for Amir Farahi, a director, who indirectly provided a 3,000 unit order that has not been fulfilled as at this date. Due to the emergence of litigation and lack of progress in resolving delivery issues, the Corporation has determined to suspend indefinitely this purchase order pending resolution by courts or clarification of the litigation issues in question.

## **MANAGEMENT CONTRACTS**

There are no management functions of the Corporation that are to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

The Board of Directors of the Corporation considers good corporate governance to be important to the effective operations of the Corporation and to ensure that the Corporation is managed so as to enhance shareholder value. The Board of Directors is responsible for ensuring that the Corporation addresses all relevant corporate governance issues in compliance with the corporate governance guidelines set forth in National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201") of the Canadian Securities Administrators.

The Board has carefully considered the Corporate Governance Guidelines set forth in NP 58-201. A description of the Corporation's corporate governance practices is set out in Schedule "A" to this Management Proxy Circular in response to the requirements of National Instrument 58-101 respecting *Disclosure of Corporate Governance Practices* and in the form set forth in Form 58-101F1.

## **AUDIT COMMITTEE**

Reference is made to the section entitled "Audit Committee" of the Corporation's Annual Information Form ("AIF"), dated March 28, 2024, which contains the information required by section 5.1 and Form 52-110F1 of National Instrument 52-110 – *Audit Committees* ("NI 52-110") of the Canadian Securities Administrators. The Corporation's AIF is available on SEDAR at [www.sedar.com](http://www.sedar.com) and a copy will be provided free of charge, upon request, to any Shareholder of the Corporation.

### **Charter of the Audit Committee**

The Audit Committee has a formal charter, the text of which is attached to the AIF and Schedule "B" hereto and available online on the Corporation's website at [www.dynacert.com](http://www.dynacert.com). The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee after careful consideration of NI 52-110 and other applicable policies.

### **Composition of Audit Committee**

The Audit Committee assists the Board of Directors in fulfilling its responsibilities for oversight of financial and accounting matters. The Audit Committee recommends the auditors to be nominated and reviews the compensation of the auditors. The Audit Committee is directly responsible for overseeing the work of the auditors, must preapprove non-audit services, be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and must establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters. All of the Directors comprising the Audit Committee are independent within the meaning of NI 52-110. All of the members of the Audit Committee are "financially literate" and have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

The following are the current members of the Audit Committee:

Bruce Barnaby (Chair)	independent	Financially Literate
Brian Warner	independent	Financially Literate
Dr. James Tansey	independent	Financially Literate

### **Relevant Education and Experience**

Bruce Barnaby is the Chief Financial Officer at EData Now Limited (EDN). In his current role he is responsible for all of EData Now Business Group's financial and administrative operations in Canada, USA, and the Peoples Republic of China. Prior to joining EDN in 2017, Mr. Barnaby held senior operations and finance positions in the energy, engineering, and manufacturing sectors. Mr. Barnaby has developed deep industry knowledge of finance operations, corporate transformation, and change management. He is a Certified Public Accountant (Ontario), holds a Bachelor of Commerce degree from the University of Toronto and a Masters Certificate in Project Management from York University.

Brian Warner started his entrepreneurial career running a successful wellness business for almost a decade until the desire to branch out and try something new lead him into the real estate industry. Mr. Warner quickly rose through the ranks becoming very successful and winning several sales awards. In 2012 an opportunity arose and Mr. Warner was introduced into the medical cannabis industry. Although still in its infancy Mr. Warner saw the potential and dove in, quickly expanding and creating a dominant position in the space which gained attention from many industry leaders. Mr. Warner's years of experience building successful businesses from the ground up in real estate, medical and retail has lead to a well rounded understanding of how to build strong successful companies from top to bottom. Through necessity Mr. Warner has developed many key skills that are applicable across all business platforms including: strong leadership and team building, communication and marketing, resourcefulness and networking, business development and project management, as well as research and decision making.

Dr. James Tansey is the Chief Executive Officer of Carbon Done Right Developments Inc., a TSXV listed issuer. He also previously served as a director of Gemina Laboratories Ltd. and Senior Advisor of NatureBank Asset Management. He is an Associate professor at the University of British Columbia's Sauder School of Business. Dr. Tansey is an experienced carbon markets executive who advised on the creation of the British Columbia, Canada carbon market and the Great Bear Rainforest Carbon. He was also involved with the planning of the 2010 Vancouver Winter Olympics which were the first to be carbon neutral. As former CEO of NatureBank, he created one of the first and largest voluntary market carbon developers in North America producing more than 50M tonnes. More recently, he has created jurisdictional carbon development agreements in countries like Mexico.

### **Reliance on Certain Exemptions**

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*), or any exemptions identified in Sections 4, 5 or 6 of Form 52-110F1 of NI 52-110.

### **Audit Committee Oversight**

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

### **Pre-Approval Policies and Procedures**

The Audit Committee of the Corporation has adopted a specific provision in its policy and procedures for the engagement of non-audit services. The Audit Committee is mandated to pre-approve any non-audit service, if any, to be provided to the issuer or its subsidiary entities by the issuer's external auditor. The Audit Committee of the Corporation reviews the engagement of all audit and non-audit services if warranted or as required.

### **External Auditor Service Fees (By Category)**

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2023	\$130,000	\$8,098	\$5,500	Nil
2022 <sup>(1)</sup>	\$100,000	\$20,700	\$9,000	Nil

**Notes:**

(1) Represents fees paid for professional services rendered by the Corporation's auditors, BDO LLP, for the audit of the Corporation's annual financial statements and services provided in connection with statutory and regulatory filings in respect of the 2021 and 2022 financial years. BDO LLP, Chartered Accountants was appointed as auditor of the Corporation on September 20, 2019 and resigned as the Corporation's auditor effective August 2, 2022.

**MATTERS TO BE ACTED UPON AT THE MEETING**

**Financial Statements**

The financial statements of the Corporation for the year ended December 31, 2023 and the auditors' report thereon accompanying this Management Proxy Circular will be placed before the Shareholders at the Meeting. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed notice to TSX Trust Company. The financial statements of the Corporation for the year ended December 31, 2023 are filed on SEDAR.

**Election of Directors**

The term of office of each of the present directors expires at the Meeting. At the Meeting, the Shareholders will be asked to fix the number of directors of the Corporation to be elected at nine (9) members. Management of the Corporation proposes to nominate the persons named below for election as directors of the Corporation at the Meeting, each to serve until the next annual meeting of the Shareholders of the Corporation, unless his or her office is earlier vacated. All of the nominees are currently members of the Board of Directors of the Corporation.

Approval of the election of each director will require the affirmative votes of the holders of not less than half of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. Shareholders can vote for all of the proposed directors set forth herein, vote for some of them and withhold for others, or withhold for all of them. **Unless otherwise instructed, the named proxyholders intend to vote "FOR" the election of each of the proposed nominees set forth below as Directors of the Corporation.** If, prior to the Meeting, any vacancies occur in the list of proposed nominees herein submitted, the persons named in the enclosed form of proxy intend to vote FOR the election of any substitute nominee or nominees recommended by management of the Corporation and FOR the remaining proposed nominees. Management has been informed that each of the proposed nominees listed below is willing to serve as a director if elected.

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

<b>Name, Province and Country of Residence and Present Office Held</b>	<b>Principal Occupation or Employment</b>	<b>Director Since</b>	<b>Number of Common Shares Beneficially Owned or Controlled<sup>(1)</sup> and % of total issued and outstanding</b>
JAMES PAYNE Ontario, Canada <i>Chairman<sup>(2)</sup>, Chief Executive Officer and Director</i>	CEO and Chairman of the Corporation (previously President and CEO). Also, President and CEO of V2R Group Inc., a project management company in the City of Toronto. Director of Lindsey Villages for families with Autism. Member of the Advisory Board of Sparta Capital Ltd.	October 2008	15,749,008 <sup>(3)</sup> (3.78%)
BERND KRUEPER Friedrichshafen, Germany <i>President<sup>(2)</sup>, &amp; Director</i>	President of the Corporation. Previously CEO at Hatz Group and Hatz Components GmbH; prior thereto, CEO of Motorenfabrik Hatz GmbH &Co. KG and CFO of Motorenfabrik Hatz GmbH &Co. KG	May 2024	Nil (0.0%)

<b>Name, Province and Country of Residence and Present Office Held</b>	<b>Principal Occupation or Employment</b>	<b>Director Since</b>	<b>Number of Common Shares Beneficially Owned or Controlled<sup>(1)</sup> and % of total issued and outstanding</b>
JEAN-PIERRE COLIN Ontario, Canada <i>Executive Vice President, Chief Financial Officer, Corporate Secretary &amp; Director</i>	Executive Vice-President and Chief Financial Officer of the Corporation. Corporate Strategy Consultant to outlier high-growth public companies and their shareholders.	December 2016	133,333 (0.03%)
WAYNE HOFFMAN <sup>(4)</sup> Ontario, Canada <i>Lead Director</i> <sup>(2)</sup>	Retired.	March 2014	7,397,200 (1.78 %)
AMIR FARAHI Ontario, Canada <i>Director</i>	President of Farahi Group of Companies. Government Relations and public affairs consultant.	March 2019	100,000 (0.02%)
BRIAN WARNER <sup>(5)(6)</sup> Ontario, Canada <i>Director</i>	Business Executive.	June 2023	11,419,500 (2.74%)
BRUCE BARNABY <sup>(4)(5)</sup> Ontario, Canada <i>Director</i>	Chief Financial Officer, EData Now Limited.	June 2023	279,000 (0.07%)
TANYA ROWNTREE <sup>(4)(6)</sup> Ontario, Canada <i>Director</i>	Co-President, Women in ETFs. Previously Vice President, Global Head Client Success, Capital Formation at TMX Group; Vice President, Corporate Sales at TSX Trust; Managing Director at Navina Capital.	April 2024	Nil (0.0%)
DR. JAMES TANSEY <sup>(5)(6)</sup> British Columbia, Canada <i>Director</i>	CEO of Carbon Done Right Developments Inc.; Board member of Gemina Labs, Senior Advisor of NatureBank Asset Management. Associate professor at the University of British Columbia's Sauder School of Business	May 2024	Nil (0.0%)

**Notes:**

- (1) The information regarding the number of Common Shares beneficially owned, not being within the knowledge of the Corporation, has been furnished by the respective nominees. These figures do not include any securities that are exercisable for Common Shares.
- (2) Mr. Bernd Krueper was appointed President of the Corporation effective May 15, 2024. At that time, Mr. Payne was appointed Chairman and Mr. Hoffman was appointed Lead Director.
- (3) Such shares are held in Mr. Payne's personal name, as well as in a private corporation that he directly or indirectly owns or controls.
- (4) Member of the Corporate Governance Committee.
- (5) Member of the Audit Committee.
- (6) Member of the Compensation and Nominating Committee.

**Majority Voting Policy**

The Board of Directors has adopted a Majority Voting Policy stipulating that in an uncontested election of directors (being an election where the number of nominees for director positions is equal to the number of directors authorized to be elected upon such election, as determined by the Board of Directors or Shareholders), if the number of Common Shares "withheld" for any nominee exceeds the number of Common Shares voted "for" the nominee, then, notwithstanding that such director was duly elected as a matter of corporate law, the director shall be required to forthwith submit his/her resignation as a director (and, as applicable, a member of any committee of the Board of Directors) to the Chairman of the Board of Directors promptly following the applicable Shareholders' meeting, which shall become effective upon acceptance by the Board of Directors. Following receipt of a resignation submitted pursuant to the Majority Voting Policy, the Corporate Governance Committee of the Board of Directors shall consider

the resignation forthwith and shall make a recommendation to the Board as to whether the resignation should be accepted. The Board of Directors shall review and act on the Committee's recommendation within ninety (90) days of applicable meeting. Except in cases where "exceptional circumstances" apply, it is expected that the Board will accept any such resignation. For this purpose, "exceptional circumstances" means occasions where such resignation would, in the opinion of a majority of the Board of Directors, have a material strategic, economic, commercial, operational or regulatory impact on the Corporation. Where exceptional circumstances apply, the Board may delay accepting the resignation until such time as the "exceptional circumstances" have been fully assessed and addressed to the satisfaction of the Board of Directors. Following the Board of Directors' acceptance of the resignation, the Board of Directors shall publicly disclose the applicable director's resignation. When a resignation is accepted, subject to any corporate law restrictions, the Board of Directors may leave the vacancy unfilled or appoint a new director to fill the vacancy.

### ***Advance Notice By-Law***

The Board of Directors has adopted an Advance Notice By-law with immediate effect as of May 18, 2023, which was ratified by shareholders on June 29, 2023. The Advance Notice By-law provides for advance notice to the Corporation in circumstances where nominations of persons for election to the Board of Directors are made by Shareholders of the Corporation other than pursuant to: (i) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (Ontario) ("**OBCA**"); or (ii) a shareholder proposal made pursuant to the provisions of the OBCA.

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

The foregoing is merely a summary of the Advance Notice By-law, is not comprehensive and is qualified by the full text of thereof.

As of the date of this Circular, the Corporation has not received notice of a nomination in compliance with the Advance Notice By-Law.

### ***Corporate Cease Trade Orders***

No director or proposed director of the Corporation is, or has been within the past ten (10) years, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, while such person was acting in that capacity:

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

except that during the months of April 2015 and May 2015, the then Chief Financial Officer of the Corporation, Ms. Yumey Fernandez, and the then Chief Executive Officer, Mr. James Payne, were under a management cease trade order as a result of the late release of the audited annual financial statements for the year ended December 31, 2014.

### ***Corporate Bankruptcies***

No proposed director of the Corporation is, or has been within the past ten (10) years, a director or executive officer of any company (including the Corporation) that, while such person was acting in that capacity, or within a year of that individual ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

### ***Individual Bankruptcies***

No proposed director of the Corporation is or has, within the ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any

proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

#### **Appointment of Auditors**

The current auditors of the Corporation are HDCPA Professional Corporation, Chartered Accountants. Unless otherwise directed, the management designees named in the accompanying instrument of proxy intend to vote in favour of the appointment of HDCPA Professional Corporation, Chartered Accountants, as auditors of the Corporation, to hold office until the close of the next annual meeting, at a remuneration to be determined by the Board of Directors of the Corporation. HDCPA Professional Corporation was first appointed on October 20, 2023. Approval of the appointment of the auditors will require the affirmative votes of the holders of not less than half of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting.

**Unless instructed otherwise, the management designees in the accompanying Instrument of Proxy intend to vote "FOR" the resolution.**

#### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) which can be accessed at [www.sedar.com](http://www.sedar.com).

**SCHEDULE "A"**

***dynaCERT INC.***

**STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

**CORPORATE GOVERNANCE DISCLOSURE (FORM 58-101F1)**

**1. Board of Directors**

- a. Disclose the identity of directors who are independent

*Wayne Hoffman, Bruce Barnaby, Brian Warner, Tanya Rowntree and Dr. James Tansey are independent as defined in National Instrument 52-110 – Audit Committees ("NI 52-110"), in that they are free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Corporation, other than interests and relationships arising from shareholding.*

- b. Disclose the identity of directors who are not independent and describe the basis for that determination.

*Messrs. James Payne, Bernd Krueper and Jean-Pierre Colin are not independent as defined under NI 52-110 as they are senior executive officers of the Corporation. Mr. Amir Farahi is not independent as defined under NI 52-110 as he received compensation (other than compensation in his role as a director of the Corporation) from the Corporation in excess of \$75,000 during the year ended December 31, 2023.*

- c. Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors (the "Board") does to facilitate its exercise of independent judgement in carrying out its responsibilities.

*A majority of the directors are independent.*

- d. If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

*The following current and proposed directors of the Corporation presently serve as directors of other reporting issuers (all of which are in Canada):*

<b><i>Director</i></b>	<b><i>Reporting Issuer</i></b>
<i>James Payne (current &amp; proposed)</i>	<i>Saturn Oil &amp; Gas Inc. (TSX-V: SOIL)</i>
<i>Jean-Pierre Colin (current &amp; proposed)</i>	<i>Sego Resources Inc. (TSX-V: SGZ)</i>
<i>Dr. James Tansey (current &amp; proposed)</i>	<i>Carbon Done Right Developments Inc. (TSX-V: K LX)</i>

- e. Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent directors.

*The independent directors of the Board do not hold formal, regularly scheduled meetings of independent directors, but do, from time to time, hold private discussions or meetings among independent directors. The Board encourages open and candid discussions among all Board members, whether independent or not.*

- f. Disclosure whether or not the chairman of the Board is an independent director. If the Board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Board has neither a chair that is independent nor a lead director that is independent, describe what the Board does to provide leadership for its independent directors.

*The Chairman of the Board (James Payne) is not an independent director. The Lead Director (Wayne Hoffman) is an independent director. The Lead Director is not an employee and does not serve in such role in a full-time capacity. The Lead Director provides independent leadership to the Board with respect to corporate governance and to the performance of the responsibilities included in the mandate of the Board.*

- g. Disclose the attendance record of each director for all Board meetings held since the beginning of the issuer's most recently completed financial year.

*James Payne – 6 / 6 (100%)*

*Wayne Hoffman – 6 / 6 (100%)*

*Richard Lu – 1 / 2 (50%)*

*Jean-Pierre Colin – 6 / 6 (100%)*

*Amir Farahi – 6 / 6 (100%)*

*Jeff Zajac – 3 / 3 (100%)*

*Brian Warner – 4 / 4 (100%)*

*Bruce Barnaby – 4 / 4 (100%)*

*Tracy Weslosky – 3 / 3 (100%)*

2. **Board Mandate** – Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.

*The Board does have a written mandate, a copy of which is available at the Corporation's website, [www.dynacert.com](http://www.dynacert.com). The mandate emphasizes that the Board is responsible for the supervision of the management of the business and affairs of the Corporation, both directly and through committees of the Board.*

3. **Position Descriptions**

- a. Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each Board committee. If the Board has not developed written position descriptions for the chair and/or the chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.

*The Corporation has a written position mandate for the Chairman and written mandates for each of the committees of the Board, which include specific descriptions of the role/duties of the chairperson of each such committee. Copies of such written mandates are available at the Corporation's website, [www.dynacert.com](http://www.dynacert.com). The Chairman of the Board or of the Board committee (as applicable) is responsible for the management and effective performance of the Board or the Board committee, as applicable. Each committee chairman directs and guides the committee on all aspects of its mandate and takes all reasonable measures to ensure that the committee fulfills its responsibilities.*

- b. Disclose whether or not the Board and Chief Executive Officer have developed a written position description for the Chief Executive Officer. If the Board and Chief Executive Officer have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the Chief Executive Officer.

*The Corporation has developed a written mandate for the Chief Executive Officer position, a copy of which is available at the Corporation's website, [www.dynacert.com](http://www.dynacert.com). The Chief Executive Officer is responsible for managing the business and affairs of the Corporation within the corporate policies and mandates and authority limitations established by the Board.*

#### 4. **Orientation and Continuing Education**

- a. Briefly describe what measures the Board takes to orient new directors regarding
  - i. the role of the Board, its committees and its directors, and
  - ii. the nature and operation of the issuer's business.

*The directors individually and as a group are encouraged to read and discuss the wide range of articles and papers on the evolving issues of corporate governance and securities regulatory matters. From time to time, the CEO and the Corporate Secretary may circulate matters of such relevance to the Board. As it relates specifically to the Corporation's business, certain directors have attended trucking trade shows while others stay current with the hydrogen industry by reading publications and conducting numerous discussions with scientific experts involved in various aspects of the Corporation's business. New directors are educated on the process, the technology and the market, while existing directors are kept up to date in this area. To provide orientation to new directors regarding the role of the Board and its audit committee, the Board provides copies of the Corporation's committee mandates and corporate policies and discusses the role of management in the Corporation's operations. To orient new directors on the nature and operation of the Corporation's business, the Board provides new directors with copies of the most recent public filings of the Corporation.*

- b. Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the Board does not provide continuing education, describe how the Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.

*Orientation and education of directors is an ongoing matter. As such, ongoing informal discussions between management and members of the Board are encouraged and visits to the Corporation's operations are organized. From time to time, the Chief Executive Officer meets with individual directors to update them on issues relating to the business and, in between Board meetings, the Chief Executive Officer also provides updates to the directors regarding the Corporation's business to ensure that the directors maintain the knowledge regarding the Corporation and its industry necessary for them to meet their obligations as directors. Directors are individually responsible for updating their skills necessary to meet their obligations as directors.*

#### 5. **Ethical Business Conduct**

- a. Disclose whether or not the Board has adopted a written code for the directors, officers and employees. If the Board has adopted a written code:

*The Board is responsible for promoting an ethical business culture and fostering an environment that emphasises compliance. To that end, the Board has approved a "Code of Business Conduct Ethics" and has also developed a Whistleblower Policy. To facilitate and promote proper business ethics, the Corporation encourages company personnel to adhere to the Corporation's Code of Business Ethics and to promptly report any problems or concerns to their supervisor, or if that is not possible or does not resolve the matter, up the chain of management in accordance with the Whistleblower Policy.*

- i. disclose how a person or Corporation may obtain a copy of the code;

*A copy of the "Code of Business Conduct Ethics" and/or the Whistleblower Policy can be obtained from the Corporate Secretary of the Corporation at any time. Written requests should be submitted to the attention of the Corporate Secretary at the main office of the Corporation.*

- ii. describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and

*All directors, officers and employees are provided with a copy of the "Code of Business Conduct Ethics" and the Whistleblower Policy and such policies are posted on the Corporation's website for continual review.*

- iii. provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.

*None.*

- b. Describe any steps the Board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.

*In the event that any transactions or agreements occur in respect of which a director or executive officer has a material interest, that director or officer is expected to disclose such interest to the Board in compliance with the applicable laws, rules and policies which govern conflicts of interest in connection with such transaction or any agreement related thereto. Such conflict shall initially be reviewed by the Corporate Governance Committee and is then submitted to the Board of Directors. The Board may implement any measures that it finds necessary in order to ensure the exercise of independent judgment. In the event that a director has a material interest in any transaction or agreement, such director will abstain from voting in that regard.*

- c. Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.

*The Corporation is committed to promote the highest standard of ethics and integrity in the pursuance of all of its activities. Furthermore, the directors, officers and employees of the Corporation are expected to act and to hold their office within the best interests of the Corporation. The Corporation expects that all directors shall act in compliance of all laws and regulations applicable to their office as director of the Corporation.*

## 6. **Nomination of Directors**

- a. Describe the process by which the Board identifies new candidates for Board nomination.

*The presentation of new candidates for Board nomination is determined by discussions among members of the Board and management. Any new appointee or nominee to the Board of Directors must have a favourable track record in general business management, special expertise in areas of strategic interest to the Corporation, the ability to devote the time required and a willingness to serve as a director. When required, the Board meets to consider any vacancies on the Board or the desirability of additional members of the Board. Members of the Board are canvassed with respect to the qualifications of all potential candidates and each candidate is evaluated with respect to his or her experience and expertise, with particular attention paid to those areas of expertise that*

*complement and enhance current management and the Board. The Board also assesses all board qualifications and experience, any potential conflicts, independence or time commitment concerns the candidate may present.*

- b. Disclose whether or not the Board has a nominating committee composed entirely of independent directors. If the Board does not have a nominating committee composed entirely of independent directors, describe what steps the Board takes to encourage an objective nomination process.

*The Board has a Compensation and Nomination Committee, composed of three directors, all of whom are required to be independent (within the meaning of applicable laws). The Committee reviews and vets the credentials of all candidates, including their financial literacy, familiarity with the Corporation's business and markets, overall representation of shareholder interests, etc. The Board as a whole then makes decisions regarding nominations. At the present time, all of the members of this Committee are independent.*

- c. If the Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.

*The Compensation and Nomination Committee shall identify and make recommendations with respect to qualified candidates for nomination as directors. Proposed nominations are subject to review and approval from the Board. Such Committee shall also consider and recommend to the Board, from time to time, the desirable number of directors to serve on the Board.*

## 7. **Compensation**

- a. Describe the process by which the Board determines the compensation for the issuer's directors and officers.

*On an annual basis, the Compensation and Nomination Committee evaluates the adequacy of compensation of the directors and executive officers. After review and analysis, the Compensation and Nomination Committee recommends the compensation of the directors and executive officers to the Board for approval.*

- b. Disclose whether or not the Board has a compensation committee composed entirely of independent directors. If the Board does not have a compensation committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.

*The Board has a Compensation and Nomination Committee, composed of three directors, all of whom are required to be independent (within the meaning of applicable laws). At the present time, all members of this Committee are independent.*

- c. If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.

*The Compensation and Nomination Committee reviews the compensation of the directors and senior officers of the Corporation. The Compensation and Nomination Committee reviews and makes recommendations to the Board regarding the granting of stock option awards, compensation for senior officers, including the CEO and directors' fees, if any, from time to time. Market comparisons as well as evaluation of similar positions in different industries in the same geography and industry as well as past performance, outstanding and exceptional personal qualification, implementation of corporate achievements, experience and duties are among the criteria used in determining compensation for officers, as well as the Corporation's resources and working capital. Compensation of the directors is determined by considering the relative responsibilities of the directors in serving on the Board and its various committees.*

8. **Other Board Committees** – If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

*Other than the Audit Committee and the Compensation and Nominating Committee, the Board has also created the Corporate Governance Committee.*

*The Corporate Governance Committee is composed of three directors, all of whom are required to be independent (within the meaning of applicable laws). The committee assists the Board with respect to corporate governance matters. Its functions include monitoring on a continuing basis and, whenever considered appropriate, making recommendations to the Board concerning the corporate governance of the Corporation and reviewing the corporate governance sections of the Corporation's management information circular distributed to shareholders, including the statement of corporate governance practices. The committee also is responsible for reviewing related party transactions, board composition, board effectiveness, committee structure and the Code of Conduct and Ethics.*

9. **Assessments** – Disclose whether or not the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees, and its individual directors are performing effectively.

*At present, the Corporate Governance Committee is responsible for assessing the effectiveness of the Board, the individual directors and each of the Board's committees (the Audit Committee, the Compensation and Nominating Committee and the Corporate Governance Committee). Generally, agendas are discussed, minutes of meetings are taken and approved at subsequent meetings and attendance, participation and board matters, responsibilities and duties requiring follow-up are recorded. Directors communicate and discuss with each other usually weekly, but often more frequently, and have input on all such matters on a regular basis and also informally assess the performance of the Corporation throughout the year.*

10. **Director Term Limits** – Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.

*It is proposed that each of the persons elected as a director at the Meeting will serve until the close of the next annual meeting of the Corporation or until their respective successor is elected or appointed. The Board did not deem appropriate to adopt term limits for the mandates of its members as the Board believes that the renewal of a member's mandate is neither a matter of age nor the number of years that the director has served on the Board, but rather the director's contribution to the orientation, management, development, growth and profitability of the Corporation, in keeping with the highest standards of integrity.*

11. **Policies Regarding the Representation of Women on the Board**

- a. Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.

*The Corporation has not adopted a written policy specifically relating to the identification and nomination of women directors, as the Corporation is not in a position to predict with assurance the Board's future turnover rate and needs in relation thereto. Women directors may be nominated for appointment or election to the Board from time to time (and have been) as new positions are opened up. All candidates must meet the leadership criteria, have the necessary skills and meet the independence criteria that the Board has fixed in order to contribute to the development of the Corporation.*

- b. If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy:
  - i. a short summary of its objectives and key provisions,
  - ii. the measures taken to ensure that the policy has been effectively implemented,
  - iii. annual and cumulative progress by the issuer in achieving the objectives of the policy, and
  - iv. whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.

N/A

12. **Consideration of the Representation of Women in the Director Identification and Selection Process** – Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.

*In identifying and nominating candidates for election or re-election to the Board, the Board considers a number of factors, including the level of representation of women, to contribute to diversity within the Board. All nominations for a directorship will always be based on the expertise of the candidate, the needs of the Board and the Corporation at any given moment in time, while considering the level of representation of women.*

13. **Consideration Given to the Representation of Women in Executive Officer Appointments** – Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.

*The Corporation does consider the level of representation of women in executive officer positions in the context of new appointments by taking into consideration candidates' skills, functional experience, background, personal qualities and knowledge desired at that particular time.*

14. **Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions**

- a. For purposes of this item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.
- b. Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.

*While the Corporation has not established a target regarding the representation of women on the Board, and while the Corporation does consider the issue of representation of women on the Board from time to time, the Corporation has determined that appropriate skills and experience must remain the primary criteria for nomination to the Board, and to guard against any perception that directors may have been nominated solely or primarily on the basis of gender.*

- c. Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.

*While the Corporation has not set a target regarding the representation of women in executive officer positions, it does consider the issue of representation of women or men or LGBT in executive officer positions from time to time. Given the comparatively small size of its executive team and its philosophical open minded beliefs, the Corporation will not adopt specific targets for representation*

*of women and does not believe that such targets would serve any purpose related to modern corporate governance.*

- d. If the issuer has adopted a target referred to in either (b) or (c), disclose:
  - i. the target, and
  - ii. the annual and cumulative progress of the issuer in achieving the target.

*N/A*

**15. Number of Women on the Board and in Executive Officer Positions**

- a. Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.

*There was one woman who acted as a director of the Corporation and resigned in 2023. One woman was appointed as a director in 2024 and is being proposed as a nominee for election as a director at the Meeting. This represents 11.1% of the total number of directors (assuming that all proposed nominees are elected at the Meeting).*

- b. Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.

*There are currently no women holding executive officer positions of the Corporation.*

## **SCHEDULE "B"**

### ***dynaCERT INC.***

#### **AUDIT COMMITTEE CHARTER**

##### **MANDATE OF THE AUDIT COMMITTEE**

###### **1. Purpose**

The Audit Committee (the "Committee") is appointed by the Board of Directors (the "Board") of dynaCERT Inc. (the "**Corporation**") to assist the Board in fulfilling its obligations relating to the integrity of the internal financial controls and financial reporting of the Corporation.

###### **2. Composition**

- a) The Committee shall be composed of three or more directors as designated by the Board from time to time.
- b) The Chair of the Committee shall be designated by the Board from among the members of the Committee.
- c) The members of the Committee shall meet all applicable securities laws, instruments, rules and policies and regulatory requirements and their respective applicable exemptions (collectively "Applicable Laws"), including those relating to independence and financial literacy subject to applicable exemptions under Applicable Laws. Accordingly, each member shall be independent and financially literate within the meaning of Applicable Laws, subject to applicable exemptions.
- d) Each member of the Committee shall be appointed by, and serve at the pleasure of, the Board. The Board may fill vacancies in the Committee by appointment from among the Board.

###### **3. Meetings**

- a) The Committee shall meet at least quarterly in each financial year of the Corporation. The Committee shall meet otherwise at the discretion of the Chair or a majority of the members or as may be required by Applicable Laws.
- b) A majority of the members of the Committee shall constitute a quorum.
- c) The Committee shall hold an in-camera session, without any senior officers present at such session, at each meeting where a review of the interim and annual financial statements of the Corporation is discussed or when requested by a member of the Committee on an ad hoc basis.
- d) The time and place at which meetings of the Committee are to be held, and the procedures at such meetings, will be determined from time to time by the Chair. A meeting of the Committee may be called by notice, which may be given by written notice, telephone, facsimile, email or other communication equipment, given at least 48 hours prior to the time of the meeting, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent waive notice or otherwise signify their consent to the holding of such meeting.
- e) Members may participate in a meeting of the Committee by means of conference telephone or other communication equipment and, if so, such members are deemed to be in attendance of the Meeting.
- f) The Committee shall keep minutes of all meetings which shall be available for review by the Board.
- g) The Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.
- h) The Committee may invite such directors, senior officers and other employees of the Corporation and such other advisors and persons as is considered advisable to attend any meeting of the Committee.
- i) Any matter to be determined by the Committee shall be decided by a majority of the votes cast from those Members in attendance at a meeting of the Committee called for such purpose. Any action of the Committee may also be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterparts) and any such action shall be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose.

j) The Committee shall report at once its determinations and recommendations to the Board.

#### **4. Resources and Authority**

The Committee has the authority to:

- a) engage, at the expense of the Corporation, independent counsel and other experts or advisors as is considered advisable;
- b) determine and pay the compensation for any independent counsel and other experts and advisors retained by the Committee;
- c) communicate directly with the independent auditor of the Corporation (the "Independent Auditor");
- d) conduct any appropriate investigation;
- e) request the Independent Auditor, any senior officer or other employee, or outside counsel for the Corporation, to attend any meeting of the Committee or to meet with any members of, or independent counsel or other experts or advisors to, the Committee; and
- f) have unrestricted access to the books and records of the Corporation.

#### **5. Responsibilities**

##### ***Financial Accounting, Internal Controls and Reporting Process***

The Committee is responsible for:

- (a) reviewing management's report on, and assessing the integrity of, the internal controls over the financial reporting of the Corporation and monitoring the proper implementation of such controls;
- (b) reviewing and recommending for approval by the Board the quarterly unaudited financial statements, management's discussion and analysis ("MD&A") thereon and the other financial disclosure related thereto required to be reviewed by the Committee by Applicable Laws;
- (c) reviewing and reporting to the Board on the annual audited financial statements, the MD&A thereon and the other financial disclosure related thereto required to be reviewed by the Committee by Applicable Laws;
- (d) monitoring the conduct of the audit function;
- (e) discussing and meeting with, when considered advisable to do so and in any event no less frequently than annually, the Independent Auditor, the Chief Financial Officer (the "CFO") and any other senior officer or other employee which the Committee wishes to meet with, to review accounting principles, practices, judgments of management, internal controls and such other matters as the Committee considers appropriate; and
- (f) reviewing any post-audit or management letter containing the recommendations of the Independent Auditor and management's response thereto and monitoring any subsequent follow-up to any identified financial reporting or audit related weaknesses.
- (g) pre-approve all non-audit services to be provided to the issuer or its subsidiary entities by the issuer's external auditor or Independent Auditor.

##### ***Public Disclosure***

The Committee shall:

- (a) review the quarterly and annual financial statements, the related MD&A, quarterly and annual earnings press releases, if any, and any other public disclosure documents that are required to be reviewed by the Committee under Applicable Laws; and
- (b) review the procedures which are in place for the review of the public disclosure by the Corporation of financial information extracted or derived from the financial statements of the Corporation and periodically assess the adequacy of such procedures.

### ***Risk Management***

- (a) The Committee should inquire of the senior officers and the Independent Auditor as to the significant risks or exposures, both internal and external, to which the Corporation is subject, and review the actions which the senior officers have taken to address such risks. In conjunction with the Corporate Governance Committee of the Board, the Committee should annually review the Directors' and Officers' Third-Party Liability Insurance of the Corporation.

### ***Corporate Conduct***

The Committee should ensure that there is an appropriate standard of corporate conduct relating to the internal controls and financial reporting of the Corporation.

The Committee should establish procedures for:

- (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls and auditing matters; and
- (b) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

### ***Independent Auditor***

- (a) The Committee shall recommend to the Board, for appointment by shareholders, a firm of external auditors to act as the Independent Auditor and shall monitor the independence and performance of the Independent Auditor. The Committee shall arrange and attend, as considered appropriate and at least annually, a private meeting with the Independent Auditor and shall review and recommend to the Board the remuneration of Independent Auditor.
- (b) The Committee should resolve any otherwise unresolved disagreements between the senior officers and the Independent Auditor regarding the internal controls or financial reporting of the Corporation.
- (c) The Committee should pre-approve all audit and non-audit services that are not prohibited by law (including Applicable Laws) to be provided by the Independent Auditor. The Committee may, and is authorized to, pre-approve non-audit services provided by the Independent Auditor up to a maximum cost of \$25,000 per engagement.
- (d) The Committee should review the audit plan of the Independent Auditor, including the scope, procedures and timing of the audit.
- (e) The Committee should review the results of the annual audit with the Independent Auditor, including matters related to the conduct of the audit.
- (f) The Committee should obtain timely reports from the Independent Auditor describing critical accounting policies and practices applicable to the Corporation, the alternative treatment of information within GAAP and IFRS that were discussed with the CFO, the ramifications thereof, and the Independent Auditor's preferred treatment and should review any material written communications between the Corporation and the Independent Auditor.
- (g) The Committee should review the fees paid by the Corporation to the Independent Auditor and any other professionals in respect of audit and non-audit services on an annual basis.
- (h) The Committee should review and approve the Corporation's hiring policy regarding partners, employees and former partners and employees of the present and any former Independent Auditor.
- (i) The Committee should monitor and assess the relationship between the senior officers and the Independent Auditor and monitor the independence and objectivity of the Independent Auditor.

### ***Other Responsibilities***

- (a) The Committee should review and assess the adequacy of this mandate (of the Audit Committee) from time to time and at least annually and submit any proposed amendments to the Board for consideration.
- (b) The Committee should perform any other activities consistent with this mandate and Applicable Laws as the Committee or the Board considers advisable.

## 6. Chair

The Chair of the Committee should:

- (a) provide leadership to the Committee and oversee the function of the Committee;
- (b) chair meetings of the Committee, unless not present, including in-camera sessions, and report to the Board following each meeting of the Committee on the activities and any recommendations and decisions of the Committee and otherwise at such times and in such manner as the Chair considers advisable;
- (c) ensure that the Committee meets at least quarterly per financial year of the Corporation and otherwise as is considered advisable;
- (d) in consultation with the Chairman of the Board and the members, establish dates for holding meetings of the Committee;
- (e) set the agenda for each meeting of the Committee with input from other members, the Chairman of the Board, the Lead Director, if any, and any other appropriate individuals;
- (f) ensure that Committee materials are available to any director upon request;
- (g) act as liaison and maintain communication with the Chairman of the Board, the Lead Director, if any, and the Board to co-ordinate input from the Board and to optimize the effectiveness of the Committee;
- (h) report annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the effectiveness of the Board;
- (i) assist the members of the Committee to understand and comply with the responsibilities contained in this mandate;
- (j) foster ethical and responsible decision making by the Committee;
- (k) together with the Corporate Governance and the Nominating Committee (if any), oversee the structure, composition and membership of, and activities delegated to, the Committee from time to time;
- (l) ensure appropriate information is provided to the Committee by the senior officers to enable the Committee to function effectively and comply with this mandate;
- (m) ensure that appropriate resources and expertise are available to the Committee;
- (n) ensure that the Committee considers whether any independent counsel or other experts or advisors retained by the Committee are appropriately qualified and independent in accordance with Applicable Laws and exemptions thereto;
- (o) facilitate effective communication between the members of the Committee and the senior officers and encourage an open and frank relationship between the Committee and the Independent Auditor;
- (p) attend, or arrange for another member of the Committee to attend, each meeting of the shareholders of the Corporation to respond to any questions from shareholders that may be asked of the Committee; and
- (q) perform such other duties as may be delegated to the Chair by the Committee or the Board from time to time.