
**NOTICE OF ANNUAL AND SPECIAL MEETING**

**AND**

**INFORMATION CIRCULAR**

**To be held on August 8, 2024**

**Dated: July 8, 2024**

**VENZEE TECHNOLOGIES INC.**
Suite 170 - 422 Richards Street
Vancouver, British Columbia, Canada V6B 2Z4

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NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON AUGUST 8, 2024

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**NOTICE IS HEREBY GIVEN** that the annual and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of the common shares (the "**Common Shares**") in the capital of Venzee Technologies Inc. (the "**Company**") will be held at Suite 1100 – 1111 Melville Street, Vancouver, British Columbia, on August 8, 2024 at 11:00 a.m. (PT) for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended March 31, 2024, together with the auditor's report thereon;

2. to fix number of directors at five (5) and elect directors for the ensuing year;

3. to re-appoint Davidson & Company LLP, Chartered Professional Accountants, as the Company's auditor for the ensuing year, and to authorize the directors to fix the remuneration to be paid to the auditor;

4. to consider and, if thought fit, to pass an ordinary resolution of disinterested Shareholders approving the Company's Omnibus Long Term Incentive Plan, as more particularly described in the attached management information circular in "***Section 3 - The Business of the Meeting***";

5. to consider and, if thought fit, to pass an ordinary resolution (the "**Transaction Resolution**") of disinterested Shareholders approving the completion of the acquisition of the exclusive right to use certain e-commerce shelf capability software developed by Digital Commerce Payments Inc. ("**DCP**") by way of the issuance of 19,318,182 Common Shares to DCP pursuant to the terms of the software right of use agreement dated May 16, 2024 entered into between the Company and DCP and the related creation of a new Control Person (as defined in the policies of the TSX Venture Exchange (the "**TSXV**")), as more particularly described in the attached management information circular (the "**Information Circular**") in "***Section 3 - The Business of the Meeting***";

6. to consider and, if thought fit, to pass an ordinary resolution of disinterested Shareholders ratifying, confirming and approving an amendment to the exercise price of certain stock options of the Company granted under the Company's Omnibus Long Term Incentive Plan from exercise prices currently ranging from $0.75 to $1.30 per common share to a new exercise price of $0.35 per common share, as more particularly described in the Information Circular in "***Section 3 - The Business of the Meeting***";

7. to consider and, if thought fit, to pass an ordinary resolution (the "**Debenture Amendment Resolution**") of disinterested Shareholders ratifying, confirming and approving an amendment to the conversion price of the Company's $470,000 aggregate principal amount of convertible debentures of the Company issued between February and June, 2023 from $1.00 to $0.30 per debenture unit and an amendment to the exercise price of the common share purchase warrants underlying such debenture units from $0.80 per common share to $0.48 per common share, as more particularly described in the Information Circular in "***Section 3 - The Business of the Meeting***"; and

8. to transact such other business as may properly come before the Meeting or any adjournments thereof.

In addition to the requirement that the Transaction Resolution and Debenture Amendment Resolution be approved by disinterested Shareholders pursuant to the policies of the TSXV, to be effective, each such resolution also must be approved by a majority of the votes cast on such resolutions by Shareholders present in person or represented by proxy at the Meeting, excluding votes attached to Common Shares required to be excluded for obtaining majority of the

minority approval at the Meeting pursuant to Multilateral Instrument 61-101 - *Protection of Minority Shareholders in Special Transactions* ("**MI 61-101**") as a result of such resolutions potentially be considered "connected transactions" under MI 61-101.

The Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice of the Meeting (the "**Notice**"). Also accompanying this Notice are (i) a form of proxy ("**Form of Proxy**") or voting instruction form ("**VIF**"), and (ii) a financial statement request form. Any adjournment of the Meeting will be held at a time and place to be specified at the Meeting.

Each Common Share is entitled to one vote. Only Shareholders of record at the close of business on July 8, 2024, will be entitled to receive notice of and vote at the Meeting. Shareholders are entitled to vote at the Meeting either in person or by proxy.

**Registered Shareholders who are unable to attend the Meeting in person and who wish to ensure that their Common Shares will be voted at the Meeting are requested to complete, date and sign the enclosed Form of Proxy, or another suitable Form of Proxy and deliver it in accordance with the instructions set out in the Form of Proxy and in the Information Circular.**

**Non-registered Shareholders who plan to attend the Meeting must follow the instructions set out in the Form of Proxy or VIF to ensure that their Common Shares will be voted at the Meeting. Any Shareholder that holds his, her, or its Common Shares in a brokerage account is not a registered Shareholder.**

**ALL SHAREHOLDERS ARE STRONGLY ENCOURAGED TO VOTE BY SUBMITTING THEIR COMPLETED FORM OF PROXY (OR VIF) PRIOR TO THE MEETING BY ONE OF THE MEANS DESCRIBED IN THE INFORMATION CIRCULAR ACCOMPANYING THIS NOTICE.**

The Company encourages Shareholders to vote their Common Shares in advance of the Meeting via mail, or online.

**DATED** at Vancouver, British Columbia, this 8th day of July, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS:**

Signed: "**Peter Montross**"
Peter Montross
Chief Executive Officer, President and Director

## MANAGEMENT INFORMATION CIRCULAR

The information contained in this management information circular (this "**Information Circular**"), unless otherwise indicated, is as of July 8, 2024.

**This Information Circular is being mailed by the management of Venzee Technologies Inc. (the "Company" or "Venzee") to holders ("Shareholders") of the common shares in the capital of the Company (the "Common Shares") of record at the close of business on July 8, 2024, which is the date that has been fixed by the directors of the Company as the record date (the "Record Date") to determine the Shareholders who are entitled to receive notice of the Company's annual and special meeting of the Shareholders that is to be held on August 8, 2024 at 11:00 a.m. (PT) at Suite 1100 – 1111 Melville Street, Vancouver, British Columbia, V6E 3V6 (the "Meeting").** The Company is mailing this Information Circular in connection with the solicitation of proxies by and on behalf of the Company for use at the Meeting. The solicitation of proxies will be primarily by mail. Certain employees or directors of the Company may also solicit proxies by telephone or in person. The cost of solicitation will be borne by the Company.

The Company is not relying on the notice-and-access delivery procedures outlined in National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (**"NI 54-101**") to distribute copies of proxy-related materials in connection with the Meeting by posting them on a website.

### FORWARD-LOOKING STATEMENTS

Certain statements contained in this Information Circular constitute forward-looking information within the meaning of applicable securities laws. Forward-looking information may relate to the Company's future outlook and anticipated events or results and may include statements regarding the financial position, business strategy, budgets, projected costs, capital expenditures, financial results and taxes involving the Company. In some cases, forward-looking information can be identified by such terms such as "may", "might", "will", "could", "should", "would", "occur", "be achieved", "will be taken", "expects", "plans", "anticipates", "believes", "intends", "estimates", "predicts", "potential", "continue", "likely", "forecasts", "schedule", or variations or the negative thereof or other similar expressions concerning matters that are not historical facts. Some of the specific forward looking statements in this Information Circular include, but are not limited to, statements regarding: (i) the timing of the completion of the proposed Transaction (as defined herein); (ii) that the Software Agreement (as defined herein) entered into in respect of the Transaction will not be amended or terminated; (iii) the number of Common Shares held or controlled by Digital Commerce Payments Inc. ("**DCP**") and its joint actors (the "**Joint Actors**") on a partially-diluted basis following the completion of the Transaction; (iv) statements relating to the anticipated benefits and performance of the DCP Software (as defined herein) once integrated in the Company's business; (v) the ability of the Company to implement its business strategies; (vi) completion of the Options Amendment (as defined herein); (vii) completion of the Debenture Amendment (as defined herein); and (viii) the approval by the TSX Venture Exchange (the "**TSXV**") and the Shareholders of the Transaction, Options Amendment, and Debenture Amendment.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: (i) the Company's ability to successfully integrate the DCP Software into the existing Venzee Software (as defined herein) and its existing operations, overall, which may impact the Company's ability to achieve its expected financial projections and targets ("**Financial Projections**"); (ii) the Company's ability to fund the ongoing costs associated with the integration of the DCP Software in its existing operations, which may negatively impact the Company's ability to achieve the Financial Projections; (iii) global financial conditions, and the related impact of geopolitical and social uncertainties, and fluctuating conditions in respect of the market for e-commerce software solutions, which may impact the Company's ability to achieve the Financial Projections; (iv) the number of Convertible Debentures (as defined herein) that may be converted into Debenture Units (as defined herein) in connection with the Transaction, which may impact the number of Common Shares held by DCP following the completion of the Transaction on a partially-diluted basis; (v) the Company's ability to obtain the necessary approvals from the TSXV for the Transaction, the Options Amendment, and the Debenture Amendment; and (vi) Mr. Jeffrey J. Smith ("**Mr. Smith**") becoming a Control Person (as defined in the applicable policies of the TSXV) following the completion of the Transaction. When relying on forward-looking

statements to make decisions, Shareholders and others should carefully consider the foregoing factors and other uncertainties and potential events. Readers are cautioned that the foregoing list of factors is not exhaustive.

Certain assumptions were made in preparing the forward-looking information concerning: (i) the performance of the DCP Software at the desired efficiency once integrated with the Venzee Software, and its ability to address existing performance deficiencies in the Venzee Software; (ii) the sufficiency of capital resources available for the integration of the DCP Software and the Company's operations overall; (iii) ongoing consumer demand for e-commerce software solutions; and (iv) the Company's ability to maintain its status as a going concern. Additional information about assumptions and risks and uncertainties is contained under "Risk Factors and Uncertainties" in the Company's management's discussion and analysis for the financial year ended March 31, 2024, which are available at the website for the System for Electronic Document Analysis and Retrieval ("**SEDAR+**") at www.sedarplus.ca under the Company's profile, and in other filings that the Company has made and may make with applicable securities authorities in the future.

**Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information contained in this Information Circular relate only to events or information as of the date on which the statements are made, and is expressly qualified in its entirety by this cautionary statement. The Company does not undertake to update any forward-looking information, except as required by applicable securities laws.**

## QUORUM

Under Venzee's articles (the "**Articles**"), the quorum for the transaction of business at a Meeting of Shareholders is at least one person who is, or who represents by proxy, one or more Shareholders who, in the aggregate, hold at least 5% of the issued Common Shares entitled to be voted at the Meeting.

## SECTION 1 – VOTING

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## WHO CAN VOTE?

If you are a registered shareholder of the Company as at the Record Date (a "**Registered Shareholder**"), you are entitled to notice of and to attend at the Meeting and cast a vote for each Common Share registered in your name on all resolutions put before the Meeting. If the Common Shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf, but documentation indicating such officer's authority should be presented at the Meeting. If you are a Registered Shareholder but do not wish to, or cannot, attend the Meeting in person you can appoint someone who will attend the Meeting and act as your proxyholder to vote in accordance with your instructions (see "**Voting By Proxy**" below). If your Common Shares are registered in the name of a "**nominee**" (usually a bank, trust company, securities dealer, financial institution or other intermediary) you should refer to the section entitled "**Non-Registered Shareholders**" set out below.

It is important that your Common Shares be represented at the Meeting regardless of the number of Common Shares you hold. If you will not be attending the Meeting in person, we invite you to complete, date, sign and return your form of proxy as soon as possible so that your Common Shares will be represented.

## VOTING BY PROXY

If you do not come to the Meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy.

In order to be valid, you must return the completed form of proxy to the office of the Company's transfer agent, Odyssey Trust Company ("**Odyssey**"), located at the Trader's Bank Building, 702 – 67 Yonge Street, Toronto, ON M5E 1J8, or by email at shareholders@odysseytrust.com not later than 48 hours, excluding Saturdays, Sundays and holidays, prior to the time fixed for the Meeting or any adjournments thereof.

*What Is A Proxy?*

A form of proxy is a document that authorizes someone to attend the Meeting and cast your votes for you. We have enclosed a form of proxy with this Information Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

*Appointing A Proxyholder*

**You can choose any individual to be your proxyholder**. It is not necessary for the person whom you choose to be a Shareholder. To make such an appointment, simply fill in the person's name in the blank space provided in the enclosed form of proxy. To vote your Common Shares, your proxyholder must attend the Meeting. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy are appointed to act as your proxyholder (the "**Management Proxyholders**"). Those persons are directors, officers or other authorized representatives of the Company.

*Instructing Your Proxy*

You may indicate on your form of proxy how you wish your proxyholder to vote your Common Shares. To do this, simply mark the appropriate boxes on the form of proxy. Your proxyholder must vote your Common Shares or withhold voting your Common Shares in accordance with the instructions you have given.

**If you do not give any instructions as to how to vote on a particular issue to be decided at the Meeting, your proxyholder can vote your Common Shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your Common Shares IN FAVOUR OF each of the items of business being considered at the Meeting**. For more information about these matters, see "***Section 3 - The Business of the Meeting***".

**The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified in the Notice of Meeting**. At the time of printing this Information Circular, the management of the Company is not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

*Changing Your Mind*

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the Meeting and voting in person; (b) signing a proxy bearing a later date; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the Company at Suite 170 - 422 Richards Street, Vancouver, British Columbia, V6B 2Z4 or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 11:00 a.m. (PT) on the last business day before the day of the Meeting, or any adjournment thereof, or delivered to the person presiding at the Meeting before it (or any adjournment) commences. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, you can still vote your Common Shares but to do so you must attend the Meeting in person. **Only Registered Shareholders may revoke a proxy. If your Common Shares are not registered in your own name and you wish to change your vote, you must arrange for your nominee to revoke your proxy on your behalf (see below under "Non-Registered Shareholders").**

**REGISTERED SHAREHOLDERS**

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed form of proxy and returning it by mail to Odyssey at the Trader's Bank Building, 702 – 67 Yonge Street, Toronto, ON M5E 1J8, or by email at shareholders@odysseytrust.com.

In all cases, the Proxy must be received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

**NON-REGISTERED SHAREHOLDERS**

Only Registered Shareholders or the persons they appoint as their proxyholders are permitted to vote at the Meeting. In many cases, however, Common Shares beneficially owned by a Shareholder (a "**Non-Registered Shareholder**") are registered either:

(a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder 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) of which the Intermediary is a participant.

Non-Registered Shareholders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as non-objecting beneficial owners ("**NOBOs**"). Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as objecting beneficial owners ("**OBOs**").

Pursuant to NI 54-101 of the Canadian Securities Administrators, the Company has distributed copies of proxy-related materials in connection with this Meeting (including this Information Circular) indirectly or directly to the NOBOs and to the Intermediaries for onward distribution to Non-Registered Shareholders. Intermediaries that receive the proxy-related materials are required to forward the proxy-related materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the proxy-related materials to Non-Registered Shareholders.

The Company will not be paying for Intermediaries to deliver to OBOs (who have not otherwise waived their right to receive proxy-related materials) copies of the proxy-related materials and related documents. Accordingly, an OBO will not receive copies of the proxy-related materials and related documents unless the OBO's Intermediary assumes the costs of delivery.

Generally, Non-Registered Shareholders who have not waived the right to receive proxy-related materials (including OBOs who have made the necessary arrangements with their Intermediary for the payment of delivery and receipt of such proxy-related materials) will be sent a voting instruction form which must be completed, signed and returned by the Non-Registered Shareholder in accordance with the Intermediary's directions on the voting instruction form. In some cases, such Non-Registered Holders will instead 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 Shareholder but which is otherwise not completed. This form of proxy does not need to be signed by the Non-Registered Shareholder, but, to be used at the Meeting, needs to be properly completed and deposited with Odyssey as described under "**Voting By Proxy**" above.

The purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares that they beneficially own. Should a Non-Registered Shareholder wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder

should insert the Non-Registered Shareholder'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.

**Non-Registered Shareholders should carefully follow the instructions of their Intermediaries and their service companies, including instructions regarding when and where the voting instruction form or form of proxy is to be delivered.**

**NOTICE TO SHAREHOLDERS IN THE UNITED STATES**

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act* of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

## SECTION 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares without par value. As at the close of business on the Record Date, being July 8, 2024, 30,931,637 Common Shares were issued and outstanding. Each shareholder entitled to receive notice of and to vote at the Meeting is entitled to one vote for each Common Share registered in his or her name at the close of business on the Record Date.

The Common Shares of the Company are listed for trading on the TSXV under the symbol "**VENZ**".

On a show of hands, every individual who is present and is entitled to vote as a Shareholder or as a representative of one or more corporate Shareholders will have one vote, and on a poll every Shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate Shareholders, will have one vote for each Common Share registered in that Shareholder's name on the list of Shareholders as at the Record Date, which is available for inspection during normal business hours at Odyssey and will be available at the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company.

## SECTION 3 - THE BUSINESS OF THE MEETING

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein, with the exception of the Transaction Resolution, Options Amendment Resolution and Debenture Amendment Resolution (each as defined herein). Each of the Transaction Resolution and Debenture Amendment Resolution must be approved by disinterested Shareholders pursuant to the policies of the TSXV and by minority Shareholders pursuant to Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions* ("**MI 61-101**") as a result of the transactions underlying such resolutions potentially being considered "connected transactions" (as defined under MI 61-101) and there being no applicable exemption from such minority Shareholder approval, while the Options Amendment Resolution must be approved by disinterested shareholders only pursuant to the policies of the TSXV. MI 61-101 is intended to regulate, among other things, certain types of transactions with related parties to ensure the protection and fair treatment of minority shareholders. MI 61-101 requires in certain circumstances enhanced disclosure, approval by a majority of securityholders excluding "interested parties" or "related parties" (each as defined under MI 61-101), independent valuations, and approval and oversight of the transaction by a special committee. The special committee of the Company formed to review the Transaction was comprised of two independent directors, being Sean Copeland and Marc Bertrand (the "**Special Committee**").

A transaction will constitute a "related party transaction" within the meaning of MI 61-101 where, among other circumstances, the transaction is one between the Company and a person that is a "related party" of the Company at the time the transaction is agreed to, as a consequence of which, either through the transaction itself or together with connected transactions, the Company directly or indirectly acquires an asset from the related party, among other types of transactions. Unless otherwise exempt, MI 61-101 requires that, in addition to any other required securityholder approval, a related party transaction is subject to "minority approval" (as defined in MI 61-101) from the holders of every class of "affected securities" (as defined in MI 61-101) of the issuer, in each case voting separately as a class.

The Transaction (as hereinafter defined) is a "related party transaction" under MI 61-101 as a result of DCP, the vendor under the Transaction, being a related party of the Company due to Mr. Smith, a director of the Company, owning more than 50% of the equity securities of DCP and requires minority approval under MI 61-101. Mr. Smith will not be paid any fee or compensation in connection with the Transaction. As a result of Mr. Smith's direct interest in the Transaction, a Special Committee (of which Mr. Smith was not a member) was formed to discuss the merits of the Transaction, and Mr. Smith abstained from voting on the Transaction as a member of the Board. Mr. Smith shall remain a director of the Company and of DCP following the completion of the Transaction. Please see "***Section 3 – The Business of the Meeting – 7. Approval of Transaction***" for additional information relating to the Transaction.

The Debenture Amendment (as hereinafter defined) is a "related party transaction" under MI 61-101 as a result of Pateno Payments Inc. ("**Pateno**"), an affiliate and Joint Actor of Mr. Smith and DCP, owning, or exercising control or direction over, $290,000 principal amount of the Convertible Debentures (as hereinafter defined) subject to the Debenture Amendment Resolution. As such, the Debenture Amendment may be considered a connected transaction to the Transaction and, as a result, requires minority approval under MI 61-101. Mr. Smith abstained from voting on the Debenture Amendment as a member of the Board. Please see "***Section 3 – The Business of the Meeting – 7. Ratification of Debenture Amendments***" for additional information relating to the Debenture Amendment.

The Options Amendment (as defined herein) is a "related party transaction" under MI 61-101 as a result of such amendment affecting certain stock options of the Company held by insiders of the Company; however, none of such stock options are owned or controlled by DCP, Mr. Smith or any affiliates and Joint Actors thereof, and, as such, the Company has relied on the exemption set out in Section 5.7(a) of MI 61-101 from the minority Shareholder approval requirement for such transaction. Please see "***Section 3 – Business of the Meeting – 6. Ratification of Exercise Price of Options Amendment***" for additional information relating to the Options Amendment.

In determining whether minority approval for the Transaction Resolution and Options Amendment Resolution has been obtained, the Company is required to exclude the votes attaching to the Common Shares beneficially owned by, or over which control or direction is exercised by, among others, interested parties or any Joint Actors in respect thereof. The votes that are required to be excluded from the vote at the Meeting on such resolutions for the purposes of determining majority of the minority approval pursuant to Section 8.1(2) of MI 61-101, are, to the knowledge of the Company, after reasonable inquiry, limited to the votes attaching to the Common Shares beneficially owned or over which direction or control is exercised by each of Mr. Smith, Pateno and DCP. Accordingly, to the knowledge of the Company, after reasonable inquiry, 2,955,954 Common Shares will be excluded from voting on each of the Transaction Resolution and Options Amendment Resolution.

As of the date hereof, DCP and its Joint Actors, being Pateno and Mr. Smith, collectively own, or exercise control or direction over, 2,955,954 Common Shares on a non-diluted basis, representing approximately 9.56% of the issued and outstanding Common Shares, or 3,569,864 Common Shares on a partially-diluted basis assuming the conversion of the Convertible Debentures and exercise of the Debenture Warrants (as hereinafter defined) at their current conversion and exercise prices, representing approximately 11.32% of the total issued and outstanding Common Shares. It is anticipated that the Consideration (as defined herein) for the Transaction will be satisfied by way of the issuance of 19,318,182 Common Shares to DCP at a deemed issuance price of $0.22 per Common Share. Following the completion of the Transaction, Mr. Smith, together with DCP and Pateno, are expected to hold approximately 44.33% of the issued and outstanding Common Shares, or 46.5% on a partially diluted basis, assuming the completion of the Debenture Amendment (as defined herein) and exercise of the Debenture Warrants.

If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until

all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

## 1. FINANCIAL STATEMENTS

The audited financial statements of the Company for the financial year ended March 31, 2024, together with the auditor's reports thereon will be presented to Shareholders at the Meeting.

Copies of the documents have been mailed to the Shareholders who have requested they receive a copy of same together with the notice of the Meeting and this Information Circular. These documents will also be available on SEDAR+ at www.sedarplus.ca under the Company's profile.

**No approval or other action needs to be taken at the Meeting in respect of these documents.**

## 2. ELECTION OF DIRECTORS

*Number of Directors*

Under the Articles and pursuant to the *Business Corporations Act* (British Columbia), the number of directors may be set by ordinary resolution and shall not be fewer than three (3). The Company currently has five (5) directors. Four (4) of such five (5) directors are being put forward by management of the Company for election at the Meeting, with management also putting forth one (1) new director for election at the Meeting.

**The Company's management recommends that the Shareholders vote in favour of the resolution setting the number of directors at five (5). Unless you give other instructions, the Management Proxyholders intend to vote FOR the resolution setting the number of directors at five (5).**

*Nominees for Election*

Pursuant to the Articles and, specifically, the advance notice provisions (the "**Provisions**") therein, as approved by the Shareholders on June 14, 2013, any additional director nominations for the Meeting must be received by the Company in accordance with the Provisions. As no such nominations were received by the Company, management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

Directors of the Company are elected for a term of one year. The term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he or she resigns or otherwise vacates office before that time.

The following table sets out the names of management's nominees for election as directors of the Company; all offices in the Company each nominee now holds; each nominee's principal occupation, business or employment; the period of time during which each nominee has been a director of the Company; and the number of Common Shares that are beneficially owned, directly or indirectly, or over which control or direction is exercised, by each nominee as at Record Date.

Each of the nominees has agreed to stand for election and management of the Company is not aware of any intention of any of them not to do so. Management does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy reserve the right to vote for other nominees in their discretion.

The following table details the principal occupation of each nominee during the last five (5) years. In addition, the table details the nominees' current equity ownership consisting of Common Shares beneficially owned, directly or indirectly, or controlled or directed, credited to each nominee as at the Record Date.

| Name and place of residence[1] | Principal occupation for the past five years[1] | Director since | Number of Common Shares held[2] |
|---|---|---|---|
| **PETER MONTROSS**[3]<br>*President, Chief Executive Officer & Chairman of the Board of Directors ("**Chairman**")*<br>Oregon, USA | President and Chief Executive Officer of the Company (previously, Chief Operating Officer of the Company) | October 25, 2019 | 1,329,967 |
| **SEAN COPELAND**[3]<br>*Director*<br>British Columbia, Canada | Businessperson, entrepreneur | October 25, 2019 | NIL |
| **JEFFREY J. SMITH**[3][4]<br>*Director*<br>Alberta, Canada | Chief Executive Officer of Digital Commerce Payments Inc. ("**DCP**") | September 30, 2023 | 2,955,954 |
| **PAMELA DRAPER**<br>*Director*<br>Alberta, Canada | President of DCP | September 30, 2023 | NIL |
| **DARREN BATTERSBY**<br>*Chef Financial Officer & Director*<br>British Columbia, Canada | Chief Financial Officer of the Company | Nominee | 667,700 |

Notes:

(1) Information as to the residency and principal occupation has been provided by the respective directors.

(2) On February 14, 2023, the Company completed a 10:1 consolidation of all of its issued and outstanding Common Shares (the "**Consolidation**"). Information as to Common Shares beneficially owned, not being within our knowledge has been furnished by the respective person, is provided on a post-Consolidation basis, and has been extracted from the list of registered Shareholders maintained by the Company's transfer agent, has been obtained from insider reports filed by respective person and available through the Internet at the Canadian System for Electronic Disclosure by Insiders (www.sedi.ca) or has been obtained from early warning report and alternative monthly reports filed by the respective person and available on SEDAR+ (www.sedarplus.ca).

(3) Member of the audit committee (the "**Audit Committee**") (see "***Section 5 – Audit Committee***"). This is the only committee of the Company's board of directors (the "**Board**").

(4) 1,800,000 of the Common Shares controlled by Mr. Smith are registered in the name of DCP.

The following are brief profiles of the nominees.

**Peter Montross** – *President, Chief Executive Officer, and Chairman*

Mr. Montross brings over 25 years of experience in the retail technology industry, delivering strong revenue performance and growth. He has extensive leadership experience and success with SaaS content exchange solutions, business intelligence products, and Product Information Management software products and services. His Product Information Distribution space (PIDS) experience includes leadership positions at Edgenet and Shotfarm, both acquired by Syndigo in 2019.

**Sean Copeland** - *Director*

Mr. Copeland brings over 20 years of experience as an operations and technology executive for international commercial operations, focusing on applying technology and communications to the financial challenges of businesses. Mr. Copeland has been involved in global payments and has held roles in Fintech, start-up enterprises, providing innovative technology-based financial solutions to customers, including payment processing, invoicing, transacting electronic bills of sale and other solutions. Presently, Mr. Copeland is Director at BOEX Ltd, the originator of a proprietary end-to-end solution for global supply chains which affords supply chain participants and sovereign nations unprecedented financial and logistics control and visibility. Involved in internet governance for more than a decade, Mr. Copeland recently was elected as a councillor to the Country Code Name Services Organisation (ccNSO). The ccNOSO is responsible for developing and recommending global policies to the Internet Corporation for Assigned Names and Numbers (ICANN) related to country code top-level domains. Mr. Copeland also serves as technical lead for the domain name registry for the United States Virgin Islands.

**Jeffrey J. Smith** – *Director*

Mr. Smith is a co-founder of DCBank and is the President and Chief Executive Officer. Mr. Smith is an entrepreneur with more than 30 years of experience in operating, financing, growing and managing large scale international financial services businesses. Mr. Smith was the President, Chief Executive Officer, Director and co-founder of DirectCash Payments Inc., a publicly traded financial services company with operations in Canada, Australia, the United Kingdom, New Zealand and Mexico. Mr. Smith has extensive experience in business valuation, the public equity and debt capital markets. Mr. Smith has sourced, negotiated, financed and integrated numerous acquisitions in Canada and internationally. In 2013, Mr. Smith was honoured as Industry Person of the Year – Prepaid & Payments by Payments eXchange, and in 2005, he was the recipient of the Ernst & Young Entrepreneur of the Year (Prairies Region).

**Pamela Draper** – *Director*

Pamela Draper is the president and CEO of Pateno and President of DCP. Prior to joining Pateno and DCP, Pamela spent approximately 14 years with top tier Canadian banks, in the areas of corporate and investment banking. Most recently Pamela held the position of Director in BMO Capital Markets' Equity Capital Markets group in Toronto where she was responsible for assisting North American corporate clients raising capital in public and private markets. Pamela obtained an Honours Business Administration degree from the Richard Ivey School of Business at the University of Western Ontario. Current voluntary positions include acting as a Director for the Canadian Blockchain Association for Women and for the Calgary Public Library Foundation. Pamela also serves as an Advisory Committee Member to Rallie, a financial technology company on a mission to get more women investing.

**Darren Battersby** – *Director and Chief Financial Officer*

Mr. Battersby has extensive experience financing, structuring, and operating start-up and growth companies across a variety of industries, including the software development, film and entertainment, bio-tech, and high tech industries, both in the public and private sectors. Operating through his consulting company, Finance Matters Inc., Mr. Battersby has acted as Chief Financial Officer for public companies such as Network Media Group Inc. (TSXV: NTE), Rainmaker Entertainment Inc., a division of WOW! Unlimited Media Inc. (TSXV: WOW), and JZR Gold Inc. (TSXV: JZR), as well as a number of other private companies over his 28 years of being a Chartered Public Accountant. He qualified as a Chartered Professional Accountant in 1997 through the British Columbia Institute, articling at the accounting firm of Ellis Foster (now Ernst Young) and graduated from the Burnaby, British Columbia campus of Simon Fraser University in 1994 with a Bachelors of Business Administration.

**The Company's management recommends that the Shareholders vote in favour of the election of the proposed nominees as directors of the Company for the ensuing year. Unless you give instructions otherwise, the Management Proxyholders intend to vote FOR the nominees named in this Information Circular.**

**CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS**

As at the date of this Information Circular, to the knowledge of the Company, no proposed nominee for election as a director of the Company (nor any of his or her personal holding companies) has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director.

No proposed nominee for election as a director of the Company is, or has been, within 10 years before the date of this Information Circular:

1. a director, chief executive officer or chief financial officer of any company (including the Company and any personal holding company of the proposed director) that, while that person was acting in that capacity:

   (a) was subject to a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order) or an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "**Order**"); or

   (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

2. a director or executive officer of any company (including the Company) and any personal holding company of the proposed director) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or 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.

No proposed nominee for election as a director of the Company has, within the ten years before the date of this Information Circular, 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 the proposed director.

## 3. APPOINTMENT OF THE AUDITOR

At the Meeting, Davidson & Company LLP, Chartered Professional Accountants, located at Suite 1200 – 609 Granville Street, Vancouver, British Columbia V7Y 1G6, will be recommended by management and the Board of Directors for re-appointment as auditor of the Company at a remuneration to be fixed by the directors. See *"**Section 5 – Audit Committee – External Service Fees**"*.

**The Company's management recommends that the Shareholders vote in favour of the appointment of Davidson & Company LLP, Chartered Professional Accountants, as the Company's auditor for the ensuing year and grant the Board of Directors the authority to determine the remuneration to be paid to the auditor. Unless you give instructions otherwise, the Management Proxyholders intend to vote FOR the appointment of Davidson & Company LLP, Chartered Professional Accountants, to act as the Company's auditor until the close of its next annual general meeting and also intend to vote FOR the proposed resolution to authorize the Board of Directors to fix the remuneration to be paid to the auditor.**

## 4. APPROVAL OF OMNIBUS LONG TERM INCENTIVE PLAN

The purpose of the Omnibus Long Term Incentive Plan (the "**LTIP**") is to provide the Company with a mechanism to attract, retain and motivate qualified employees, consultants, directors and management whose present and potential contributions are important to the success of the Company and its subsidiaries, by offering them an opportunity to participate in the Company's future performance through share-based awards.

At the Meeting, disinterested Shareholders will be asked to approve an ordinary resolution to approve the continuation of the LTIP. The following is a summary of the LTIP. The summary is qualified in its entirety by the full text of the LTIP as attached Schedule "B" of the Information Circular dated October 27, 2020 and filed on SEDAR+ on November 12, 2020.

The LTIP is a "rolling and fixed" option plan. Pursuant to the requirements of the TSXV for "rolling and fixed" option plans, the Company must obtain Shareholder approval for the LTIP on an annual basis, as described in Policy 4.4 of the TSXV. The LTIP remains subject to approval of the TSXV.

*Description of the LTIP*

All employees, consultants, consultant companies, officers, management company employees and directors (each a "**Participant**") are eligible to participate in the LTIP. Eligibility to participate does not confer upon any participant any right to receive any grant of an Award pursuant to the LTIP.

The LTIP allows the Board to grant an Award to eligible employees, directors, management and consultants for their contribution to the Company. An Award means any Option (including incentive stock option), Share Appreciation Right, Restricted Share Unit, Performance Share Unit, Deferred Share Unit, Restricted Share or Other Share Based Award (as these terms are defined in the LTIP).

The LTIP will be administered by the Board who has sole and complete authority, in its discretion, among other things, to: determine individuals eligible for Awards; make grants of Awards under the LTIP, including the time of Award grant, number of Common Shares covered by an Award, the price, if any, to be paid by a Participant in connection with the purchase of Common Shares covered by Awards, establish the form(s) of Award Agreements and cancel, amend, adjust or otherwise change any Award under such circumstances as the Board may consider appropriate in accordance with the LTIP.

Subject to adjustment and any subsequent amendment to the LTIP, the aggregate number of Common Shares reserved for issuance pursuant to Awards that are Options granted under the LTIP, together with any other Security Based Compensation Arrangement, shall not exceed 10% of the Common Shares issued and outstanding, from time to time. As well, all Awards, other than Options, granted under the LTIP shall not exceed 3,093,163 Awards, representing 10% of the currently issued and outstanding Common Shares and representing an increase from the 1,680,000 Awards last approved by Shareholders, provided however, that in no event shall the aggregate number of Awards granted under the Plan, exceed the aggregate number of Common Shares reserved for issuance pursuant to Awards that may be granted by the Company under the LTIP and any other Security Based Compensation Arrangement.

The aggregate number of Common Shares issuable to Participants who are non-Employee Directors shall not exceed one percent (1%) of the issued and outstanding Common Shares and Awards to non-Employee Directors shall not have an aggregate value greater than $150,000 (and the annual aggregate value of Options shall not exceed $100,000).

The aggregate number of Common Shares issuable to Insiders at any time, under all of the Company's Security Based Compensation Arrangements, shall not exceed ten percent (10%) of the issued and outstanding Common Shares; and the aggregate number of Common Shares issued to Insiders within any one year period, under all of the Company's Security Based Compensation Arrangements, shall not exceed ten percent (10%) of the issued and outstanding Common Shares.

If the Common Shares are listed on the TSXV, the aggregate number of Common Shares:

- issued to any one Person (and any companies wholly owned by that Person) in a one year period must not exceed five percent (5%) of the issued and outstanding Common Shares, calculated on the Date of Grant;

- issued to any one Consultant (and any companies wholly owned by that Person, including Consultant Companies) in a one year period must not exceed two percent (2%) of the issued and outstanding Common Shares, calculated on the Date of Grant; and

- issued to any one Person conducting Investor Relations Activities in a one year period must not exceed two percent (2%) of the issued and outstanding Common Shares, calculated on the Date of Grant. For greater certainty, a Person conducting Investor Relations Activities shall only be entitled to receive Options as a form of Award under the Plan (including any other Security Based Compensation Arrangement).

Each Award under the LTIP will be evidenced by an Award Agreement and the Awards are non-transferable.

Upon a change of control, the Board may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause; (i) the conversion or exchange of any Award; (ii) outstanding Awards to vest and become exercisable; (iii) terminate an Award in exchange for an amount of cash and/or property; (iv) replacement of an Award with other rights or property; or (v) any combination of the foregoing.

The LTIP does not allow consultants performing investor relations services, to receive Awards other than regular stock options.

The Board will establish the exercise price of each Option at the time each Option is granted, which exercise price must be not less than the market price of the Common Shares on the date of grant. The Award Agreement may specify the expiry date of the Award, which shall not be later than the tenth anniversary of the date of grant – if not so specified, the expiry date of each Award shall be the tenth anniversary of the date of grant.

Each Option will vest and be exercisable in the manner set out in the applicable Award Agreement. Once a portion of an Option becomes vested, it shall remain vested and shall be exercisable, in whole or in part, until expiration or termination of the Option, unless otherwise provided in this Plan or approved by the Board. The Board has the right to accelerate the date upon which any portion of any Option becomes exercisable, save that the accelerated vesting of any Options held by Persons conducting investor relations activities shall not be permitted.

Unless otherwise determined by the Board and set forth in the particular Award Agreement, RSUs, PSUs and DSUs shall be credited with dividend equivalents in the form of additional RSUs, PSUs and DSUs, respectively, as of each dividend payment date in respect of which normal cash dividends are paid on Common Shares. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Common Shares by the number of RSUs, PSUs and DSUs, as applicable, held by the Participant on the record date for the payment of such dividend, by (b) the Market Price at the close of the first Business Day immediately following the dividend record date, with fractions computed to three decimal places. Dividend equivalents credited to a Participant's accounts shall vest in proportion to the RSUs, PSUs and DSUs to which they relate.

If a Participant's employment or services are terminated due to death or disability or if the Participant resigns, all Awards shall immediately vest or cease to be restricted. If a Participant's employment or engagement is terminated without case, then each Award held by that Participant that has vested as of the Termination Date continues to be exercisable for up to 90 days after Termination Date. If a Participant is terminated with cause, then any Option or Award held, whether vested or not, is immediately forfeited and cancelled as of the Termination Date.

Accordingly, management of the Company is asking disinterested Shareholders to approve the following resolutions pursuant to the policies of the TSXV:

"**BE IT RESOLVED, with all insiders and their associates abstaining from voting, THAT:**

1. **the Omnibus Long Term Incentive Plan of the Company dated October 30, 2020 (the "LTIP") is hereby ratified, affirmed and approved;**

2. **the increase in the number of Awards other than Options that may be granted under the LTIP from 1,680,000 Awards to 3,093,163 Awards is hereby ratified, affirmed and approved;**

3. **the form of the LTIP may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of Shareholders, if applicable;**

4. **any director or officer of the Company be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolutions, and to complete all transactions in connection therewith."**

To be effective, the resolution must be passed by a majority of votes cast by disinterested Shareholders present or represented by proxy at the Meeting, and be accepted for filing by the TSXV.

**Management and the Board of Directors of the Company believe the Omnibus Long Term Incentive Plan is in the best interests of the Company and is fair to the Company and its Shareholders. The Company's management and the Board of Directors recommend that Shareholders vote FOR the resolution approving the Omnibus Long Term Incentive Plan. Unless you provide instructions to the contrary, the Management Proxyholders intend to vote FOR the resolution to approve the Omnibus Long Term Incentive Plan.**

## 5. APPROVAL OF TRANSACTION

Overview of Transaction

On March 23, 2023, the Company entered into a consulting services agreement (the "**Consulting Agreement**") with DCP, pursuant to which DCP was engaged to provide consulting and advisory services to the Company. During the provision of consulting and advisory services by DCP under the Consulting Agreement, the Company and DCP identified certain weaknesses concerning Venzee's business and concerns with respect to the functionality of the existing e-commerce software (the "**Company Software**"). In order to address and rectify these deficiencies, DCP staff and contractors developed certain e-commerce shelf capability software (the "**DCP Software**") that could be integrated into the existing Company Software.

On May 16, 2024, the Company entered into a software right-of-use agreement (the "**Agreement**") with DCP. Subject to the terms and conditions of the Agreement, the Company will acquire the exclusive right to use the DCP Software for consideration of CDN$4,250,000 (the "**Purchase Price**"), payable in cash or Common Shares (the "**Consideration**") on the closing date (the "**Closing Date**") which shall be no later than August 31, 2024 (the "**Transaction**"). As of the date hereof, the Company expects to satisfy the Purchase Price by way of the issuance of 19,318,182 Common Shares to DCP at a deemed issuance price of $0.22 per Common Share.

The completion of the Transaction is expected to materially expand the Company's current product and service offerings for new and existing customers in order to increase revenue and profit margins. The DCP Software is expected to enhance the scope and management functionality of the Company Software, while expanding the Venzee's total addressable market, as the existing Company Software serves only as a data connector, whereas the DCP Software acts as a data connector and product information management solution. More specifically, the DCP Software, once integrated into the Company's existing business, is expected to automate the connection of multiple retail channels within a customer organization's enterprise resource planning ("**ERP**") system. The DCP Software may be used in multiple geographic locations and has multi-lingual capabilities. The DCP Software also includes features

enabling digital shelf capability, including AI-enabled product description recommendations, and such features can return order information from e-commerce platforms to enable customers to achieve a more dynamic experience in understanding the best markets to sell products. This is functionality not currently available under the existing Company Software.

Description of Software

The DCP Software operates as a product information management solution ("**PIM**"), and manages unlimited items in numerous currencies, through various business models and capable of automatically distributing content between ERP software solutions and marketplaces. The DCP Software has been designed to retrieve product, price, and stock data from within a clients' ERP system and/or other data sources, organize such data within the PIM, syndicate such data to designated marketplaces, and synchronize orders originating from the marketplaces, back with the ERP software or other data source. Venzee clients will be able to add product data to the system via ERP integration and rest application programming interface integration, or they may add product information manually via the user interface, and Excel and XML bulk uploads. DCP will provide a single XML and Excel template that must be used for importing product data via XML or Excel.

The DCP Software will contain two applications. One application will be a back-office for managing clients. The second application will be a data organization and mapping application in which clients can log in and organize and map the products and the attributes through connectors from their ERP system or other integration or process with a marketplace connector.

The DCP Software will provide the following functionalities:

- Provide a secure multi-tenant system that will not allow any client to access another client's information;
- Provide multi-level role-based security for back-office users and client users;
- Provide multiple ways for a client to upload data and mapping the product data to key marketplaces;
- Defined integration with clients' ERP software;
- Manual product data entry from user interface;
- Bulk data upload (XML or Excel file) from user interface;
- Allow clients to map and distribute product data information in unique ways to different marketplaces according to the marketplace specification;
- Provide a single-user experience for clients to distribute their products to selected marketplaces, sell their products to different marketplaces, monitor product movement status, inventory status, and return process;
- Provide reporting to clients for product data, movement of the data, product data in marketplaces, and error logs;
- Provide flexible product upload and update scheduler job structure for clients to manage their own settings for marketplaces and ERP systems;
- Provide fee and pricing management capability for clients and DCP; and
- Provide client setup, activation, and deactivation functionalities.

The below table sets out Venzee management's preliminary projections of the amounts of gross revenue and net income that the Company is expected to generate over the next five years once the DCP Software is integrated into

the existing Company Software. The financial information concerning the DCP Software has been prepared by Venzee in collaboration with DCP and has not been audited.

| Year of Integration of the DCP Software into Venzee's Business | Projected Gross Revenue (US$) | Projected Net Income (US$) |
|---|---|---|
| 1st Year of Integration | Approx. $193K | Approx. $(420K) |
| 2nd Year of Integration | Approx. $1.1 million | Approx. $(597K) |
| 3rd Year of Integration | Approx. $4.6 million | Approx. $1.3 million |
| 4th Year of Integration | Approx. $8.9 million | Approx. $2.9 million |
| 5th Year of Integration | Approx. $13.7 million | Approx. $5.3 million |

The following table sets out Venzee's current assets and liabilities, as set out in its most recent audited financial statements for the years ended March 31, 2024 and 2023 and management's preliminary unaudited projections of its assets and liabilities within the next five years assuming the successful integration of the DCP Software, which projections have been prepared by Venzee in collaboration with DCP and has not been audited:

| | As at March 31, 2024 (USD $) | Projected Amounts Within 5 Years (USD $) |
|---|---|---|
| **Assets** | $20,513 | $37,094,092 |
| **Liabilities** | $1,129,826 | $16,173,921 |

Certain of the financial figures set out in the above tables constitute forward-looking information, including future-oriented financial information and financial outlook. These figures are based on certain material assumptions and inherently include material risks and uncertainty. There can be no assurance that any of the accuracy of any of the forward-looking information contained herein.

Summary of Agreement

The following is a summary of the material attributes and characteristics of the Agreement. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Agreement, which has been filed with the Canadian securities regulatory authorities and is available on SEDAR+ at www.sedarplus.ca. A Shareholder should refer to the terms of the Agreement for a complete description of the representations, warranties and indemnities being provided in favour of, and by, the Company, and related limitations under the Agreement.

*Right of Use*

Pursuant to the Agreement, subject to and conditional on the Company's payment of the Purchase Price, DCP shall grant the Company a royalty-free, fully paid-up, exclusive, non-sublicensable (except as otherwise permitted by the Company's applicable end-user license agreements), non-transferable (except as otherwise permitted by the Agreement), and perpetual license (except as otherwise permitted by the Agreement) to use the DCP Software and any pre-existing documents, data, know-how, methodologies, software, and other materials embedded into the DCP Software by DCP, solely for the purposes of integrating the DCP Software with the Company Software, as permitted under the Agreement (the "**Right of Use**").

The Company shall be responsible and liable for all uses of the DCP Software and derivative works of the DCP Software (the "**Documentation**") resulting from access provided by the Company, directly or indirectly, whether such access or use is permitted by or in violation of this Agreement. Pursuant to the Agreement, DCP may distribute certain third-party products with the DCP Software. For purposes of the Agreement, such third-party products are subject to their own licence terms and the applicable flow through provisions referred to in the list of features set out in the Agreement in respect of the DCP Software. If the Company does not agree to abide by the applicable terms for such third-party products, then the Company may not install or use such third-party products.

*Representations and Warranties*

The Agreement contains representations and warranties typical of those contained in similar software right-of-use agreements negotiated between parties dealing at non-arm's length, and contains representations and warranties made by the Company to DCP, and representations made by DCP to the Company. Those representations and warranties were made as of specific dates solely for the purposes of the Agreement and are subject to important qualifications and limitations agreed to by the parties in connection with negotiating the terms of the Agreement.

The Agreement contains certain representations and warranties of DCP relating to the following, among other things: (a) status of DCP; (b) corporate authority; (c) absence of bankruptcy or insolvency; (d) ownership by DCP of all right, title, and interest, or a valid license to the patents, trademarks, trade names, domain names, and copyrights that are material to the DCP Software (collectively, the "**DCP IP Rights**"); (e) validity and enforceability of the DCP IP Rights; (f) no third party infringement on the DCP IP Rights; and (g) DCP's ownership of or ability to validly license or lease the DCP Software.

The Agreement contains certain representations and warranties of the Company relating to the following, among other things: (a) status of the Company; (b) corporate authority; and (c) enforceability of obligations.

*Conditions Precedent*

The Agreement contains, among others, certain customary conditions to the completion of the Transaction in favour of each of the Company and DCP, including:

i. no governmental authority shall have enacted, issued or promulgated any law which has the effect of:

    a. making any of the transactions contemplated by the Agreement illegal; or

    b. otherwise prohibiting, preventing or restraining the consummation of any of the transactions contemplated by the Agreement;

ii. the Company shall have received all requisite approvals required by applicable laws, including the policies of the TSXV, to complete the transactions contemplated by the Agreement, including with respect to the issuance of Common Shares as satisfaction of the Consideration and listing of same on the TSXV, if applicable; and

iii. the Agreement shall not have been terminated in accordance with its terms.

*Indemnification*

The Agreement contains typical indemnification provisions. Subject to the limitations set forth in the Agreement, DCP shall indemnify, defend, and hold the Company harmless from and against any and all losses, damages, liabilities, and costs (including reasonable legal fees) ("**Losses**") incurred by the Company resulting from any third-party claim, suit, action, or proceeding ("**Third-Party Claim**") that the DCP Software or Documentation, or any use of the DCP Software or Documentation in accordance with the Agreement, infringes or misappropriates such third party's Canadian intellectual property rights, provided that the Company promptly notifies DCP in writing of the claim, cooperates with DCP, and allows DCP sole authority to control the defense and settlement of such claim. If such a claim is made or appears possible, the Company agrees to permit DCP, at DCP's sole discretion, to (a) modify or replace the DCP Software or Documentation, or component or part thereof, to make it non-infringing, or (B) obtain the right for the Company to continued use. If DCP determines that none of these alternatives is reasonably available, DCP may terminate the Agreement, in its entirety or with respect to the affected component or part, effective immediately on written notice to the Company. DCP's indemnification of the Company in this respect does not apply to the extent that the alleged infringement arises from: (a) use of the DCP Software in combination with data, software, hardware, equipment, or technology not provided by DCP or authorized by DCP in writing; (b) modifications to the Software not made by DCP; (c) use of any version other than the most current version of the DCP Software or Documentation delivered to the Company; or (d) third-party products.

Similarly, the Company shall indemnify, hold harmless, and, at DCP's option, defend DCP from and against any Losses resulting from any Third-Party Claim based on Venzee's, or any authorized user's: (a) negligence or wilful misconduct; or (b) use of the DCP Software or Documentation in a manner not authorized or contemplated by the Agreement; (c) use of the DCP Software in combination with data, software, hardware, equipment, or technology not provided by DCP or authorized by DCP in writing; (d) modifications to the DCP Software not made by DCP; or (e) use of any version other than the most current version of the DCP Software or Documentation delivered to the Company, provided that the Company may not settle any Third-Party Claim against DCP unless such settlement completely and forever releases DCP from all liability with respect to such Third-Party Claim or unless DCP consents to such settlement, and further provided that DCP will have the right, at its option, to defend itself against any such Third-Party Claim or to participate in the defense thereof by counsel of its own choice.

*Termination*

The Agreement may be terminated prior to Closing (as defined in the Agreement):

i. by mutual written agreement of the Company and DCP;

ii. by either DCP and the Company if:

   a. closing shall not have occurred before August 31, 2024, except that the right to terminate the Agreement pursuant to this provision shall not be available to any party whose failure to fulfill any of its obligations or breach of any of its representations and warranties under the Agreement has been the cause of, or resulted in, the failure of closing to occur by August 31, 2024; or

   b. the requisite approvals for the transactions contemplated in the Agreement as required by applicable laws, including the policies of the TSXV, shall not have been obtained.

iii. by DCP if:

   a. any of DCP's conditions to completing the Transaction, as set forth in the Agreement, are not satisfied and are incapable of being satisfied by August 31, 2024, provided that DCP is not then in breach of the Agreement so as to cause any of the conditions set forth in the Agreement not to be satisfied; or

   b. the Company shall not have performed any covenant to be performed by it under the Agreement or if any representation or warranty of the Company (without giving effect to any materiality qualifiers contained therein) shall have been or become untrue to the extent that the failure of such representation or warranty to be true and correct shall have a material adverse effect.

iv. by the Company, if DCP shall not have performed any covenant to be performed by it under the Agreement or if any representation or warranty of DCP shall have been or become untrue to the extent that the failure to perform such covenant, or failure of such representation or warranty to be true and correct shall prevent or materially delay the ability of DCP to consummate the transactions contemplated by the Agreement.

Following Closing, the Right of Use may be terminated at any time:

i. by DCP if:

   a. the Company fails to pay any amount when due hereunder, and such failure continues more than 30 days after DCP's delivery of written notice thereof;

   b. the Company breaches any of its confidentiality obligations under the Agreement or does not comply with the terms of the Right of Use;

c. the Company becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due;

d. the Company files or has filed against it, a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law;

e. the Company makes or seeks to make a general assignment for the benefit of its creditors; or

f. the Company applies for or has appointed a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

ii. by either party, effective on written notice to the other party, if the other party breaches the Agreement (in the case of the Company, including a breach by any of end-user licensees who are provided access to the DCP Software and/or Documentation by or on behalf of the Company), and such breach is incapable of cure, or, being capable of cure, remains uncured 30 days after the non-breaching party provides the breaching party with written notice of such breach.

Relationship with DCP and Joint Actors

As noted previously, DCP was engaged to provide consulting and advisory services to the Company pursuant to the Consulting Agreement, and as at the date hereof, the Company currently owes DCP an aggregate of CDN$270,000 of unpaid consulting fees under such agreement (the "**Unpaid Consulting Fees**"). The Company is also currently indebted to DCP under three promissory notes (collectively, the "**Notes**") in the aggregate principal amount of CDN$780,000. The details of the Notes are as follows: (i) in September 2023, the Company issued DCP a CDN$100,000 principal amount promissory note bearing interest at a rate of 8% per annum and payable three years from the date of issuance in exchange for short-term financing for such amount from DCP for working capital purposes; (ii) in November 2023, the Company issued DCP a CDN$150,000 principal amount promissory note bearing interest at a rate of 8% per annum and payable three years from the date of issuance in exchange for additional short-term financing for such amount from DCP for working capital purposes; and (iii) in February 2024, the Company issued DCP a partially secured grid promissory note bearing interest at a rate of 12% per annum and payable three years from the date of issuance representing the Unpaid Consulting Fees and additional advances totaling CDN$260,000 for short-term financing from DCP to the Company for working capital purposes made in January, April, and June 2024. As of the date hereof, the aggregate principal amount of the grid promissory note is CDN$530,000.

Pateno, an affiliate and Joint Actor of DCP, currently holds CDN$290,000 aggregate principal amount of convertible debentures ("**Convertible Debentures**") of the Company that are currently convertible into an aggregate of approximately 307,789 units of the Company comprised of one Common Share and one Comon Share purchase warrant (each, a "**Debenture Warrant**"), with each Debenture Warrant exercisable into a Common Share for a period of five years from the date of issuance of the Convertible Debentures at a price of $0.80 per Common Share. Additionally, Mr. Smith currently owns 1,155,954 Common Shares, representing approximately 3.74% of the issued and outstanding Common Shares, and DCP owns 1,800,000 Common Shares, representing approximately 5.82% of the issued and outstanding Common Shares. Furthermore, on November 14, 2023 and December 6, 2023, Mr. Smith entered into agreements with two former employees of the Company to assume the indebtedness owed to them by the Company in the aggregate principal amount of approximately $28,400.

As of the date hereof, DCP and its Joint Actors, being Pateno and Mr. Smith, collectively own, or exercise control or direction over, 2,955,954 Common Shares on a non-diluted basis, representing approximately 9.56% of the issued and outstanding Common Shares, or 3,569,864 Common Shares on a partially-diluted basis, representing approximately 11.32% of the total issued and outstanding Common Shares, assuming full conversion of the Convertible Debentures held by Pateno and their current conversion price and exercise of the Debenture Warrants issuable upon conversion of the Convertible Debentures at their current exercise price.

As a result of the completion of the Transaction, it is expected that DCP and its Joint Actors will own or exercise control or direction over 22,274,136 Common Shares, representing approximately 44.33% of the issued and outstanding Common Shares, or 46.5% of the issued and outstanding Common Shares on a partially diluted basis, assuming the completion of the Debenture Amendment and exercise of the Debenture Warrants, and that Mr. Smith will become a Control Person of the Company.

Fairness Opinion

As the Transaction constitutes a "related-party transaction" for the Company within the meaning of TSXV Policy 5.9 – *Protection of Minority Security Holders in Special Transactions* ("**Policy 5.9**") and MI 61-101, the Company appointed the Special Committee to review the merits of the proposed Transaction. The Special Committee then retained RwE Growth Partners Inc. ("**RwE**") to determine the fairness to the Shareholders of the proposed Transaction from a financial point of view (the "**Fairness Opinion**").

RwE provided an opinion to the Special Committee and the Board to the effect that, as at the date thereof and subject to the assumptions, limitations and qualifications contained therein, the Transaction is fair, from a financial point of view, to the Shareholders. The Fairness Opinion was based on a variety of factors, including Venzee's debt obligations, Venzee's existing operations, and its view as to the value of the Agreement with the intended commercialization integration into Venzee's intellectual property. As part of the fairness Opinion, RwE calculated the fair value of the Agreement at USD$3,280,000. The full text of the Fairness Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Fairness Opinion, are attached as Schedule "A" to this Information Circular. The summary of the Fairness Opinion described in this Information Circular is qualified in its entirety by reference to the full text of the Fairness Opinion. The views of RwE expressed in the Fairness Opinion are an important consideration in the Special Committee's unanimous recommendation of the Transaction to the Board and the Board's decision to proceed with the Transaction and the Special Committee and the Board urge the Shareholders to read the Fairness Opinion.

The terms of the engagement letter made between RwE and the Company dated February 21, 2024 provided that RwE be paid certain professional fees for its services as financial advisor, including a retainer fee and a fee payable upon completion and delivery of the Fairness Opinion, no part of which is contingent upon the Fairness Opinion being favourable or upon success of the Transaction. In addition, the Company has agreed to reimburse RwE for its reasonable out-of-pocket expenses.

RwE provided its opinion for the information and assistance of the Special Committee and the Board in connection with their consideration of the Transaction. The Fairness Opinion addresses only the fairness, from a financial point of view, of the proposed Transaction. RwE was not engaged to prepare, and has not prepared, a formal valuation or appraisal of the securities or assets of the Company, DCP or any of their respective associates or affiliates, and the Fairness Opinion should not be construed as such. RwE has, however, conducted such analyses as it considered necessary in the circumstances. RwE Growth Partners Inc. was similarly not engaged to review any legal, tax or accounting aspects of the Transaction.

In providing its opinion, RwE relied upon information, materials and representations provided by the representatives of the Company and required that the Company's management confirm to RwE that they have reviewed the final, signed Fairness Opinion in detail and that the information and management's representations contained in the final, signed Fairness Opinion are accurate, correct and complete to the best of the Company's management's knowledge, and that there are no material omissions of information that would affect the conclusions in the Fairness Opinion. The Company provided such confirmations to RwE. The terms of the Transaction were determined through negotiations between the Company and DCP and were not determined by RwE. The Fairness Opinion does not address the relative merits of the Transaction as compared to any other business strategies or transactions that might be available to the Company, or the underlying decision of the Special Committee and the Board to recommend or effect the Transaction.

RwE has advised the Company that it has no personal interest with respect to any of the parties involved in the Transaction. The authors of the Fairness Opinion have no present or prospective relationship with or interest in the Company, DCP, or any entity, company, individual that is the subject of the Fairness Opinion.

Recommendation of the Board

The view of RwE as expressed in the Fairness Opinion was an important consideration in the Special Committee's unanimous recommendation of the Transaction to the Board and the Board's decision to proceed with the Transaction. The Board, having taken into account such factors and matters as it considered relevant, including, without limitation, the Fairness Opinion and advice received from the Company's financial advisors, unanimously determined that (a) the Transaction is fair, from a financial point of view, to the Company, and (b) the Transaction is, and the entering into of the Agreement was, in the best interests of the Company. **Accordingly, the Board approved the Agreement, and all other agreements deemed necessary to complete or related to the Transaction, and unanimously recommends that the Shareholders vote IN FAVOUR of the resolution approving the transaction (the "Transaction Resolution") at the Meeting.**

The foregoing discussion of the information and factors reviewed by the Board is not intended to be exhaustive. In view of the wide variety of factors considered, the Board did not find it practicable to, and therefore did not, quantify or otherwise assign relative weight to specific factors in making its determination. The conclusions and recommendations of the Board were made after consideration of all of the above-noted factors in light of the collective knowledge of the operations, financial condition and prospects of the Company and was also based upon the advice of its advisors.

Shareholders should consider the Transaction carefully and come to their own conclusion as to whether or not to vote in favour of the Transaction Resolution.

**The Board unanimously recommends that Shareholders vote IN FAVOUR of the Transaction and the Transaction Resolution and related creation of a new Control Person at the Meeting.**

Approvals Required

*Shareholder Approval*

As a result of the features of the Transaction, particularly with respect the creation of a new Control Person, the Transaction is a "Reviewable Transaction", as such term is defined in TSXV Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* ("**Policy 5.3**"). Pursuant to section 5.14(a) of Policy 5.3, the Company is required to obtain disinterested Shareholder approval for a "Reviewable Acquisition" (as such term is defined in Policy 5.3) because it will result in Mr. Smith becoming a new Control Person.

As discussed above, since the Transaction will be considered a "related-party transaction" within the meaning of Policy 5.9 and MI 61-101, the Company is required to obtain minority Shareholder approval for the Transaction, which approvals shall each exclude the voting of any Common Shares held by DCP and its Joint Actors, including Mr. Smith.

*TSXV Approval*

The Company received conditional approval for the Transaction from the TSXV on May 28, 2024. The conditions for the receipt of final approval from the TSXV include, among other things, disinterested and minority Shareholder approval of both the Transaction and the creation of a new Control Person, and the filing by the Company of customary documents with the TSXV. Closing of the Transaction is subject to the Company obtaining approval from the TSXV.

Transaction Resolution

Management of the Company is asking disinterested and minority Shareholders to approve the Transaction Resolution, as follows:

"**BE IT RESOLVED THAT:**

1. **subject to the approval of the TSX Venture Exchange, the Transaction, as more fully described in the management information circular of the Company dated July 8, 2024, and creation of a new Control Person, being Mr. Jeffrey Smith, is hereby approved and authorized; and**

2. **the issuance of the 19,318,182 Common Shares ("Consideration Shares") at a deemed issuance price of $0.22 per Common Share to satisfy the CDN$4,250,000 Purchase Price under the Agreement is hereby authorized and approved, and the Company is authorized to reserve, allot, issue and register to and in the name of DCP such number of Consideration Shares as is necessary in order to satisfy the Purchase Price and such Common Shares upon issuance shall be declared, and shall be issued as, fully paid and non-assessable Common Shares;**

3. **the Company be and is hereby authorized to take all such further actions and to execute and deliver all such further instruments or documents relating to, contemplated by, or necessary or desirable in connection with the Transaction or the Agreement, as more fully described in the management information circular of the Company dated July 8, 2024;**

4. **any director or officer of the Company be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolutions, and to complete all transactions in connection therewith;**

5. **any and all actions previously taken by any of the directors or officers of the Company in connection with the matters approved in the foregoing resolutions or consistent with the intent and purposes of the foregoing resolutions, and any matters related or incidental thereto, as evidenced by their signature or signatures thereon or otherwise, are hereby ratified, confirmed and approved in all respects; and**

6. **notwithstanding that this resolution has been duly passed by the Shareholders of the Company, the board of directors be and is hereby authorized and empowered to defer acting on this resolution or revoke this resolution at any time before it is acted upon without further notice to or approval, ratification or confirmation by the Shareholders, if it determines that the Transaction is no longer in the best interests of the Company."**

To be effective, the resolution must be passed by a majority of votes cast by disinterested and minority Shareholders present or represented by proxy at the Meeting in accordance with MI 61-101 and be accepted by the TSXV.

**Management of the Company and the Board believe the Transaction is in the best interests of the Company and is fair to the Company and its Shareholders. As such, the Company's management and the Board recommend that Shareholders vote FOR the resolution approving the Transaction. Unless you provide instructions to the contrary, the Management Proxyholders intend to vote FOR the resolution to approve the Transaction.**

## 6. RATIFICATION OF AMENDMENT OF EXERCISE PRICE OF STOCK OPTIONS

At the Meeting, disinterested Shareholders will be asked to approve an ordinary resolution to ratify, approve and confirm an amendment to the terms of 625,000 outstanding stock options of the Company, which entitle the holders of such options to purchase up to 625,000 Common Shares currently exercisable at a range of $0.75 to $1.30 per

Common Share, to reduce the exercise price of such stock options from their existing exercise prices to $0.35 per Common Share. All such 625,000 stock options have been granted to insiders (the "**Insider Options**") and while the Company has applied to the TSXV to reduce the exercise price of all 640,000 of its issued and outstanding options, disinterested Shareholder approval is only being sought in respect of the reduction of the exercise price of the Insider Options to $0.35 per Common Share (the "**Options Amendment**") pursuant to the Policies of the TSXV. The closing market price of the Common Shares on the day prior to the date on which the Board resolved to re-price existing options, being July 5, 2024, was $0.16 as traded on the TSXV.

The purpose of the Options Amendment to incentivize the holders of stock options to exercise their stock options and more closely align their interests with those of Shareholders in light of the current price of the Common Shares. The details of the stock options subject to the Options Amendment are set forth below:

| Holder | Relationship to the Company | Grant Date | Number of Options | Original Exercise Price | Amended Exercise Price |
|---|---|---|---|---|---|
| Peter Montross | Insider (director and officer) | June 17, 2020 | 200,000 | $0.75 | $0.35 |
| Darren Battersby | Insider (officer) | June 17, 2020 | 75,000 | $0.75 | $0.35 |
| Sean Copeland | Insider (director) | June 17, 2020 | 50,000 | $0.75 | $0.35 |
| Marc Betrand | Insider (director) | February 11, 2021 | 100,000 | $1.30 | $0.35 |
| Peter Montross | Insider (director and officer) | December 1, 2021 | 100,000 | $1.20 | $0.35 |
| Peter Montross | Insider (director and officer) | December 1, 2021 | 25,000 | $1.20 | $0.35 |
| Sean Copeland | Insider (director) | December 1, 2021 | 25,000 | $1.20 | $0.35 |
| Marc Betrand | Insider (director) | December 1, 2021 | 25,000 | $1.20 | $0.35 |
| Darren Battersby | Insider (officer) | December 1, 2021 | 25,000 | $1.20 | $0.35 |

The policies of the TSXV require that any amendment to stock options held by insiders of the Company, including a change in the exercise price of stock options held by insiders, be approved by a majority of votes cast at a meeting of Shareholders other than votes attaching to securities beneficially owned by such optionees and the optionees' associates (that is, the Options Amendment Resolution must be approved by the majority of disinterested Shareholders entitled to vote at the Meeting). To the best of the Company's knowledge, the number of votes attaching to the Common Shares that will not be counted for the purposes of determining whether the required level of Shareholder approval for the Options Amendment Resolution has been obtained is 1,997,667**,** representing approximately 6.46% of the issued and outstanding Common Shares. The stock options subject to the Options Amendment may not be exercised at the reduced exercise price prior to receipt of such Shareholder approval and the final approval of the TSXV. In the event that the requisite number of disinterested Shareholders do not approve the Options Amendment, the stock options will revert to their original terms. The Options Amendment is subject to approval of the TSXV.

Management of the Company is asking disinterested Shareholders to approve the following resolution (the "**Options Amendment Resolution**") pursuant to the policies of the TSXV:

"**BE IT RESOLVED, with all insiders and their associates abstaining from voting, THAT:**

1. **subject to the approval of the TSXV, the amendment to the exercise price of the Company's 625,000 stock options held by insiders of the Company, from their current exercise prices to $0.35 per Common Share is hereby ratified, approved and confirmed; and**

2. **any director or officer of the Company be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolutions, and to complete all transactions in connection therewith."**

To be effective, the resolution must be passed by a majority of votes cast by disinterested Shareholders present or represented by proxy at the Meeting, and be accepted for filing by the TSXV.

**Management of the Company and the Board believe the Options Amendment is in the best interests of the Company and is fair to the Company and its Shareholders. The Company's management and the Board recommend that Shareholders vote FOR the resolution approving the Options Amendment. Unless you provide instructions to the contrary, the Management Proxyholders intend to vote FOR the resolution to approve the Options Amendment.**

## 7. RATIFICATION OF DEBENTURE AMENDMENTS

Between February and June 2023, the Company completed three private placements of an aggregate of $470,000 principal amount of convertible debentures ("**Convertible Debentures**") of the Company bearing interest at a rate of 5% per annum that are convertible into units of the Company ("**Debenture Units**") at a current conversion price of $1.00 per Debenture Unit, with each Debenture Unit comprised of one Common Share and one Common Share purchase warrant (each, a "**Debenture Warrant**"), with each Debenture Warrant exercisable into one Common Share for a period of five years from the date of issuance of the Convertible Debentures at a price of $0.80 per Common Share. At the Meeting, disinterested Shareholders will be asked to approve an ordinary resolution to ratify, approve and confirm an amendment to terms of all outstanding Convertible Debentures to reduce the conversion price of such Convertible Debentures from their existing conversion price to $0.30 per Debenture Unit, and to reduce the conversion price of each Debenture Warrant from their existing exercise price of $0.80 per Common Share to the new exercise price of $0.48 per Common Share (the "**Debenture Amendment**"). The purpose of the Debenture Amendment is to bring the conversion price of the Convertible Debentures more in line with the current market price of the Common Shares in order to incentivize holders of the Convertible Debentures to convert same rather than having Venzee continue to be responsible for repayment of principal and interest.

Of the outstanding Convertible Debentures, Pateno, a Joint Actor of DCP, owns, or exercises control or direction over, $290,000 principal amount of Convertible Debentures and certain arm's length third-parties own, or exercise control or direction over, the balance of the $180,000 principal amount of Convertible Debentures. All Common Shares held by Convertible Debentureholders will not be counted for determining whether Shareholder approval for the Convertible Debenture Resolution has been obtained as such holders of Common Shares will not be considered "disinterested Shareholders" pursuant to the Policies of the TSXV. To the best of the Company's knowledge, the number of votes attaching to the Common Shares that will not be counted for the purposes of determining whether the required level of Shareholder approval for the Debenture Amendment Resolution has been obtained is 6,583,439, representing approximately 21.28% of the issued and outstanding Common Shares. The Convertible Debentures may not be converted at the reduced conversion price prior to receipt of such Shareholder approval and the final approval of the TSXV. In the event that the requisite number of disinterested Shareholders do not approve the Debenture Amendment, the Convertible Debentures will revert the their original terms. The Debenture Amendment is subject to approval of the TSXV.

Management of the Company is asking disinterested and minority Shareholders to approve the following resolutions (the "**Debenture Amendment Resolution**"):

"**BE IT RESOLVED THAT:**

1. **subject to the approval of the TSXV, the amendment to the conversion price of the Company's $470,000 principal amount of Convertible Debentures, including those held by insiders of the Company, from their current conversion price to $0.30 per Debenture Unit, and related amendment to the exercise price of the Debenture Warrants from their current exercise price to $0.48 per Common Share, is hereby ratified, approved and confirmed; and**

2. **any director or officer of the Company be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolutions, and to complete all transactions in connection therewith."**

To be effective, the resolution must be passed by a majority of votes cast by disinterested and minority Shareholders present or represented by proxy at the Meeting in accordance with MI 61-101 and be accepted for filing by the TSXV.

**Management of the Company and the Board believe the Debenture Amendment is in the best interests of the Company and is fair to the Company and its Shareholders. The Company's management and the Board recommend that Shareholders vote FOR the resolution approving the Debenture Amendment. Unless you provide instructions to the contrary, the Management Proxyholders intend to vote FOR the resolution to approve the Debenture Amendment.**

**OTHER BUSINESS**

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the notice of the Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by the proxies solicited hereby will be voted on such matter in accordance with the best judgement of the persons voting by proxy.

## SECTION 4 – EXECUTIVE COMPENSATION

**GENERAL**

Unless otherwise specified, all currency amounts are expressed in USD. For the purpose of this Statement of Executive Compensation:

"**Board**" means the board of directors of the Company;

"**CEO**" means Chief Executive Officer;

"**CFO**" means Chief Financial Officer;

"**Company**" means Venzee Technologies Inc.;

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

"**COO**" means Chief Operating Officer;

"**external management company**" includes a subsidiary, affiliate or associate of the external management company;

"**NEO**" or "**named executive officer**" means each of the following individuals:

(a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer ("**CEO**"), including an individual performing functions similar to a CEO;

(b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer ("**CFO**"), including an individual performing functions similar to a CFO;

(c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year ended March 31, 2023, whose total compensation was more than $150,000 for that financial year; and

(d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

"**plan**" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

"**underlying securities**" means any securities issuable on conversion, exchange or exercise of compensation securities.

During the financial year ended March 31, 2024, the NEOs of the Company were as follows: John Sexton Abrams – former President, CEO, and director; Peter Montross – former Executive Vice President and Chief Operating Officer, and current President, CEO, and Chairman; and Darren Battersby – CFO.

The members of the Board who were not NEOs during the financial year ended March 31, 2024, were Sean Copeland, Tom Linden, Marc Bertrand, John Sviokla, Jeffrey J. Smith, and Pamela Draper. Mr. Linden ceased to be a director, and Mr. Smith and Ms. Draper were appointed as directors on September 30, 2023. Mr. Sviokla resigned from the board effective January 9, 2024.

## DIRECTOR AND NEO COMPENSATION

***Director and NEO compensation, excluding options and compensation securities***

The following table of compensation, excluding options and compensation securities, provides a summary of compensation paid by the Company to each NEO and director of the Company for the two (2) most recently completed financial years of the Company ended March 31, 2024 and March 31, 2023.

Options and compensation securities are disclosed under the heading "**Stock Options and Other Compensation Securities**" below.

| Table of compensation excluding compensation securities | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Name and position** | **Year Ended** | **Salary, consulting fee, retainer or commission ($)** | **Bonus ($)** | **Committee or meeting fees ($)** | **Value of perquisites ($)** | **Value of all other compensation ($)** | **Total compensation ($)** |
| John Sexton Abrams[4]<br>*Former CEO, President, Director* | 2024[1]<br>2023[2] | Nil<br>204,609 | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | Nil<br>41,896[3] | Nil<br>246,505 |
| Peter Montross[5]<br>*CEO, President, Chairman, former COO and EVP* | 2024[1]<br>2023[2] | 84,500<br>195,000 | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | 15,078<br>41,689[3] | 99,578<br>236,689 |
| Darren Battersby[6]<br>*Chief Financial Officer* | 2024[1]<br>2023[2] | 53,791<br>77,537 | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | 3,016<br>10,505[3] | 56,807<br>88,042 |
| Sean Copeland[7]<br>*Director* | 2024[1]<br>2023[2] | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | 3,016<br>8,865[3] | 3,016<br>8,865 |
| Tom Linden[8]<br>*Former Director* | 2024[1]<br>2023[2] | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | 2,186<br>8,865[3] | 2,186<br>8,865 |
| Marc Bertrand[9]<br>*Director* | 2024[1]<br>2023[2] | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | 328<br>36,542[3] | 3,281<br>36,542 |
| John Sviokla[10]<br>*Former Director* | 2024[1]<br>2023[2] | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | Nil<br>Nil | 3,258<br>23,245[3] | 3,258<br>23,245 |
| Jeffrey J. Smith[11]<br>*Director* | 2024[1] | 133,551 | Nil | Nil | Nil | Nil | 133,551 |
| Pamela Draper[12]<br>*Director* | 2024[1] | Nil | Nil | Nil | Nil | Nil | Nil |

NOTES:

(1) Year ended March 31, 2024.

(2) Fifteen months ended March 31, 2023. The Company changed its fiscal year end from December 31 to March 31 effective April 11, 2023. The amounts set out here reflect the information disclosed in the Company's audited annual financial statements for the fifteen months ended March 31, 2023 and twelve months ended December 31, 2021.

(3) This amount represents the fair value of incentive stock options granted during the year ended March 31, 2023, and was estimated at the grant date using the Black-Scholes option pricing model in accordance with the Company's accounting policies with the following assumptions: Expected life 4.00 years; Expected annual volatility 151%; Expected dividend yield 0%; Risk-free interest rate 1.41%. These values do not represent actual amounts received by the optionees as the gain, if any, will depend on the market value of the Common Share on the date that the stock option is exercised.

(4) Mr. Abrams was appointed to the Board of Directors and as President and CEO on August 14, 2019. Mr. Abrams resigned as director, President, and CEO of the Company on September 30, 2023.

(5) Mr. Montross was appointed to the Board of Directors on October 25, 2019 and as Chairman on October 25, 2019. Mr. Montross was appointed as the President and CEO of the Company on September 30, 2023.

(6) Mr. Battersby was appointed as Chief Financial Officer effective August 1, 2019. Mr. Battersby was paid in Canadian dollars, therefore each element of his compensation paid in Canadian dollars was converted to U.S. dollars using an average exchange rate for the period associated with the payments of 1.3478.

(7) Mr. Copeland was appointed to the Board of Directors on October 25, 2019. Mr. Copeland was paid in Canadian dollars, therefore each element of his compensation paid in Canadian dollars was converted to U.S. dollars using an average exchange rate for the period associated with the payments of 1.3478.

(8) Mr. Linden was appointed to the Board of Directors on February 7, 2020. Mr. Linden resigned as a director of the Company on September 30, 2023.

(9) Mr. Bertrand was appointed to the Board of Directors effective February 11, 2021. Management has received notice of Mr. Betrand's intention to resign as a director effective as of the date of the Meeting.

(10) Mr. Sviokla was appointed to the Board of Directors effective April 20, 2021. Mr. Sviokla resigned as a director of the Company on January 9, 2024.

(11) Mr. Smith was appointed to the Board of Directors on September 30, 2023, and receives his compensation by way of the Consulting Agreement, as more particularly described in "**Section 3 – The Business of the Meeting – 5. Approval of Transaction – Overview of Transaction**". Mr. Smith was paid in Canadian dollars, therefore each element of his compensation paid in Canadian dollars was converted to U.S. dollars using an average exchange rate for the period associated with the payments of 1.3478.

(12) Ms. Draper was appointed to the Board of Directors on September 30, 2023.

***External Management Companies***

The management functions of the Company are performed by persons who are independent contractors of the Company. The particulars of such external management contracts are as follows:

- Mr. Battersby, who resides in British Columbia, Canada, is engaged in the role of Chief Financial Officer ("**CFO**") and provides services expected of a CFO to the Company through Finance Matters Consulting Inc. ("**Finance Matters**") a company wholly-owned by Mr. Battersby, pursuant to a consulting agreement dated July 25, 2019 (the "**Finance Matters Agreement**"), as amened October 1, 2019. The Company may terminate the Finance Matters Agreement at any time by providing one month's written notice to Mr. Battersby. In accordance with the terms of the Finance Matters Agreement, Mr. Battersby's fee from April-October 2023 was CAD$5,000 per month. Mr. Battersby's fee under the Finance Matters Agreement from November 2023 – March 2024 was subsequently increased to CAD$7,500 per month.

- Mr. Smith, who resides in Alberta, Canada, provides consulting services to the Company through DCP, of which Mr. Smith is a director, pursuant to the Consulting Agreement. The Company may terminate the Consulting Agreement at any time by providing six months' written notice to DCP. DCP may terminate the Consulting Agreement at any time. In accordance with the terms of the Consulting Agreement, Mr. Smith receives $30,000 per month in consulting fees. As at the date hereof, the Company owes DCP an aggregate of CDN$270,000 in Unpaid Consulting Fees. Please see "**Section 3 – The Business of the Meeting – 5. Approval of Transaction – Overview of Transaction**" for further information regarding the Consulting Agreement and the Unpaid Consulting Fees.

***Stock Options and Other Compensation Securities***

The Company did not grant any compensation securities to the directors and NEOs during the financial year ended March 31, 2024. No compensation security had been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the Company's financial year ended March 31, 2024.

***Exercise of Compensation Securities by Directors and NEOs***

There were no compensation securities exercised by a director or NEO during the financial year ended March 31, 2024.

## STOCK OPTION PLANS AND OTHER INCENTIVE PLANS

### *LTIP Plan*

The purpose of the Company's omnibus long term incentive plan (the "**LTIP**") is to provide the Company with a mechanism to attract, retain and motivate qualified employees, consultants, directors and management whose present and potential contributions are important to the success of the Company and its subsidiaries, by offering them an opportunity to participate in the Company's future performance through share-based awards.

The following is a summary of the LTIP. The summary is qualified in its entirety by the full text of the LTIP as attached as Schedule "B" to the management information circular dated October 27, 2020, and filed under the Company's SEDAR+ profile at www.sedarplus.com. Any capitalized term not otherwise defined herein has the meaning ascribed to such term in the LTIP.

### ***Securities Authorized For Issuance Under Equity Compensation Plans***

No equity securities are authorized for issuance during the financial year ended March 31, 2024.

### ***Employment, consulting and management agreements***

Management functions of the Company and its subsidiaries are substantially performed by the Company's directors and executive officers. The Company has entered into employment agreements and as follows:

*Employment Agreement with John Abrams*

The Company entered into a two-year renewable Executive Employment Agreement with its Director, President and Chief Executive Officer, John Sexton Abrams, in December, 2019 ("**Abrams Agreement**") for services to the Company for USD$200,000 per year, plus reimbursement of reasonable expenses. Upon the occurrence of a Change of Control, Mr. Abrams shall be entitled to an amount equal to five (5) times his annual salary. Mr. Abrams also receives a monthly office stipend of USD$1,500. Termination of the Abrams Agreement with cause, the Company is obligated to pay Mr. Abrams' salary through the date of termination. If termination of the Abrams Agreement is due to death or disability, Mr. Abrams will be entitled to his salary through the date of termination as well as an additional 24 months. Mr. Abrams resigned as director, President, and CEO of the Company on September 30, 2023, at which time the Abrams Agreement was terminated and Mr. Abrams received a termination payment of 4,000,000 Common Shares at a deemed value of $0.01 per Common Share.

*Employment Agreement with Peter Montross*

The Company entered into a two-year renewable Executive Employment Agreement with its Executive Vice President – Commercial Operations and Chairman, Peter Montross, in December, 2019 ("**Montross Agreement**") for services to the Company for USD$175,000 per year, plus reimbursement of reasonable expenses. Upon the occurrence of a Change of Control, Mr. Montross shall be entitled to an amount equal to five (5) times his annual salary. Mr. Montross also receives a monthly office stipend of USD$750. Termination of the Montross Agreement with cause, the Company is obligated to pay Mr. Montross' salary through the date of termination. If termination of the Montross Agreement is due to death or disability, Mr. Montross will be entitled to his salary through the date of termination as well as an additional 24 months. On December 31, 2022, the Montross Agreement was terminated, and Mr. Montross was engaged as an independent contractor of the Company pursuant to an agreement dated as of the date thereof (the "**Montross Consulting Agreement**"). Pursuant to the Montross Consulting Agreement, Mr. Montross' fee from April – October 2023 was USD $6,000 per month. Following an amendment of the Montross Consulting Agreement, Mr. Montross' fee from November 2023 – May 2024 was USD $8,500 per month.

**Oversight and description of director and named executive officer compensation**

***Compensation of Directors***

The Company does not have a compensation policy for remuneration payable to the board of directors as compensation for providing services and discharging their duties as required and appropriate.

***Hedging by Named Executive Officers or Directors***

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors have purchased such financial instruments.

***Pension disclosure***

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans currently in place or proposed at this time.

## SECTION 5 - AUDIT COMMITTEE

National Instrument 52-110 *Audit Committees* ("**NI 52-110**") requires the Company, as a venture issuer to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

**AUDIT COMMITTEE CHARTER**

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

**COMPOSITION OF AUDIT COMMITTEE**

The current members of the Audit Committee are Sean Copeland, Peter Montross, and Jeffrey J. Smith. Mr. Montross is the Chair of the Audit Committee.

*Financial Literacy*

NI 52-110 provides that an individual is "financially literate" if he or she has 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 Company's financial statements.

All members of the Audit Committee are considered to be financially literate within the meaning of NI 52-110.

*Independence*

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment.

Neither Mr. Copeland nor Mr. Smith are executive officers of the Company. Mr. Montross is the President, Chief Executive Officer, and Chairman, and is non-independent. Mr. Smith is a principal of DCP, an existing consultant of the Company, and is non-independent.

## RELEVANT EDUCATION AND EXPERIENCE

All of the Audit Committee members are senior-level businesspeople with experience in financial matters; each has an understanding of accounting principles used by the Company to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavour.

In addition, each of the members of the Audit Committee have knowledge of the role of an audit committee in the realm of reporting companies from their years of experience as directors or officers of public companies other than the Company. See Section 6 - Corporate Governance – Directorships in Other Public Companies.

*Sean Copeland*

Mr. Copeland successfully completed two years of accounting courses in university. As part of the Strategic and Operational Planning Standing Committee, he is part of the ccNSO working group that asks and helps make suggestions to the ICANN finance department.

*Peter Montross – Chair*

Mr. Montross has, throughout his career in sales, sales management, and operational management, created, overseen, and managed significant operating budgets, along with designing and executing on effective budget, forecast, and financial models for departments and entire companies.

*Jeffrey J. Smith*

Mr. Smith is an entrepreneur with more than 30 years of experience in operating, financing, growing and managing large scale international financial services businesses. Mr. Smith has extensive experience in business valuation, the public equity and debt capital markets. Mr. Smith has sourced, negotiated, financed and integrated numerous acquisitions in Canada and internationally.

## AUDIT COMMITTEE OVERSIGHT

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

## RELIANCE ON CERTAIN EXEMPTIONS

At no time since the commencement of the Company's most recently completed financial year ended March 31, 2023, has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

As the Company is considered a "venture issuer" pursuant to relevant securities legislation, the Company is relying on the exemption in Section 6.1 of NI 52-110, from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

## PRE-APPROVAL POLICIES AND PROCEDURES FOR NON-AUDIT SERVICES

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Company's Audit Committee Charter attached as Schedule "A" to this Information Circular.

## EXTERNAL AUDITOR SERVICE FEES

In the following table, "Audit Fees" are fees billed by the Company's external auditors for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related Fees" are fees not included in audit fees that are billed by the auditors for assurance and related services that are reasonably related to the

performance of the audit or review of the Company's financial statements. "Tax Fees" are billed by the auditors for professional services rendered for tax compliance, tax advice and tax planning. "All Other Fees" are fees billed by the auditors for products and services not included in the foregoing categories.

The fees paid by the Company to its auditors in each of the last two financial years, by category, are as follows:

| *Auditor* | *Financial Year* | *Audit Fees*[2] | *Audit-related Fees*[4] | *Tax Fees*[4] | *All Other Fees*[5] |
|---|---|---|---|---|---|
| Davidson & Company LLP[6] | 2024[1][2] | $50,000 (estimated) | Nil | Nil | Nil |
| | 2023[1] | $50,000 | Nil | Nil | Nil |

NOTES:

(1) Financial year ended March 31.
(2) As at the date of this Information Circular, Davidson and Company LLP did not provide the Company with final amounts for its audit fees for the financial year ended March 31, 2024. The figures set out for this period are estimated costs.
(3) The aggregate audit fees billed.
(4) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements that are not included under the heading "**Audit Fees**".
(5) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
(6) The aggregate fees billed for products and services other than as set out under the headings "**Audit Fees**", "**Audit Related Fees**" and "**Tax Fees**".
(6) Davidson & Company LLP, Chartered Professional Accountants, has been the Company's auditor since December 21, 2017.

## SECTION 6 - CORPORATE GOVERNANCE

### GENERAL

National Instrument 58-101 - Disclosure of Corporate Governance Practices ("**NI 58-101**") provides guidelines on corporate governance disclosure for venture issuers as set out in Form 58-101F2 and requires full and complete annual disclosure of a listed company's systems of corporate governance with reference to National Policy 58-201 – *Corporate Governance Guidelines* (the "**Guidelines**"). Where a company's corporate governance system differs from the Guidelines, each difference and the reason for the difference is required to be disclosed. The Company's approach to corporate governance is provided below.

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices that are both in the interest of its Shareholders and contribute to effective and efficient decision making. The Guidelines establish corporate governance guidelines that apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. NI 58-101 mandates disclosure of corporate governance practices for venture issuers in Form 58-101F2, which disclosure is set out below.

### COMPOSITION OF THE BOARD OF DIRECTORS

All of the proposed nominees for election as a director at the Meeting are current directors of the Company, except for Mr. Darren Battersby, CFO. Form 58-101F1 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. "Material relationship" is defined as a relationship that could, in the view of the company's board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

Management was delegated the responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board facilitates its independent supervision over management through frequent meetings of the Board and by reviewing and approving long-term strategic, business and capital plans, material contracts and business transactions, and all debt and equity financing transactions. Through its Audit Committee, the Board examines the effectiveness of the Company's internal control processes and management information systems.

**MANDATE OF THE BOARD**

The Board is elected by and accountable to the Shareholders. The mandate of the Board is to continually govern the Company and to protect and enhance the assets of the Company in the long-term best interests of the Shareholders. The Board will annually assess and approve a strategic plan which takes into account, among other things, the opportunities and the identification of the principal risks of the issuer's business, and ensuring the implementation of appropriate systems to manage these risks.

**DIRECTORSHIPS IN OTHER PUBLIC COMPANIES**

None of the current directors of the Company are directors or officers of other reporting issuers. Darren Battersby, a new director nominee, is CFO of Network Media Group Inc. and JZR Gold Inc.

**ORIENTATION AND CONTINUING EDUCATION**

New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However, there is no formal orientation for new members of the Board, and this is considered to be appropriate, given the Company's size and current level of operations. However, if the growth of the Company's operations warrants it, it is likely that a formal orientation process will be implemented.

The skills and knowledge of the Board as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Company's records. Reference is made to the table under the heading "Election of Directors" for a description of the current principal occupations of the members of the Board.

**ETHICAL BUSINESS CONDUCT**

The Board has determined that the fiduciary duties placed on individual directors by the Company's governing corporate legislation, common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest are sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Furthermore, the Board promotes fair dealing with all its stakeholders and requires compliance with the laws of each jurisdiction in which the Company operates.

The Board of Directors is also required to comply with the conflict of interest provisions of the *Business Corporations Act* (British Columbia) and relevant securities regulation in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director is required to declare the nature and extent of his interest and is not entitled to vote on any matter that is the subject of the conflict of interest.

## NOMINATION OF DIRECTORS

The Board as a whole determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the individual Board members, including both formal and informal discussions among Board members and the President and Chief Executive Officer. The current size of the Board is such that the entire Board takes responsibility for selecting new directors and assessing current directors. Proposed directors' credentials are reviewed and discussed amongst the members of the Board prior to the proposed director's nomination.

The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions. The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an ad hoc basis.

## COMPENSATION OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

The Company does not currently pay its directors any remuneration for acting as directors and the only compensation for acting as directors received by non-management directors is through the grant of incentive stock options or Awards under the LTIP. The quantity and quality of the Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current Board compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company. The number of options or Awards to be granted to any director or officer is determined by the Board as a whole, thereby providing the independent directors with significant input into compensation decisions. Stock options and/or Awards to be granted to "management" directors are required, as a matter of board practice, to be reviewed and approved by the "non-management" directors. Given the current size and limited scope of operations of the Company, the Board does not believe that a formal compensation committee is required. At such time as, in the opinion of the Board, the size and activities of the Company and the number of management employees warrants it, the Board will consider it necessary to appoint a formal compensation committee. See *"**Section 4 – Statement of Executive Compensation – Director and NEO Compensation**"*.

## COMMITTEES OF THE BOARD OF DIRECTORS

The Company has no other committee other than an Audit Committee.

## ASSESSMENTS

The Board has not, as yet, established procedures to formally review the contributions of individual directors. At this point, the directors believe that the Board's current size facilitates informal discussion and evaluation of members' contributions within that framework.

# SECTION 7 - OTHER INFORMATION

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the most recently completed financial year ended March 31, 2024, and as at the date of this Information Circular, no director, executive officer or employee or former director, executive officer or employee of the Company, nor any nominee for election as a director of the Company, nor any associate of any such person, was indebted to the Company for other than "**routine indebtedness**", as that term is defined by applicable securities legislation; nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON AND INFORMED PERSONS IN MATERIAL TRANSACTIONS

Applicable securities legislation defines "**informed person**" to mean any of the following: (a) a director or executive officer of a reporting issuer; (b) a director or officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; (c) any person or company who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

As set out in "***Section 3 - The Business of the Meeting***", Mr. Smith, a director of the Company, is a principal and Joint Actor of DCP, and shall remain a director of the Company and a principal of DCP following the completion of the Transaction. Together with DCP and Pateno, another Joint Actor of DCP, Mr. Smith is expected to own or exercise control or direction over approximately 44.33% of the issued and outstanding Common Shares, or 46.5% on a partially diluted basis, assuming the completion of the Debenture Amendment and the subsequent conversion of the Convertible Debentures held by Pateno and exercise of the Debenture Warrants issuable upon conversion of the Convertible Debentures. Mr. Smith will not be paid any fee or compensation in connection with the Transaction. As a result of Mr. Smith's direct interest in the Transaction, a Special Committee (of which Mr. Smith was not a member) was formed to discuss the merits of the Transaction, and Mr. Smith abstained from voting on the Transaction as a member of the Board. See "***Section 3 - The Business of the Meeting – 6. Approval of the Transaction*** for more information regarding the Transaction and the Company's relationship with Mr. Smith as a Joint Actor of DCP.

Except as otherwise disclosed herein, no informed persons had (or has) any interest in any transaction with the Company since the commencement of our most recently completed financial year ended March 31, 2024, or in any proposed transaction, that has materially affected the Company or is likely to do so. Other than as set forth herein, no person who has been a director or executive officer of the Company at any time since the beginning of the last financial year, ended March 31, 2024, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors or the appointment of auditors.

## MANAGEMENT CONTRACTS

The Company has no management agreements or arrangements under which the management functions of the Company are performed other than by the Company's directors and executive officers.

## ADDITIONAL INFORMATION

Financial information about the Company is included in the Company's financial statements and management's discussion and analysis for the financial year ended March 31, 2024, which have been electronically filed with regulators and are publicly available on SEDAR+ at www.sedarplus.ca.

**DIRECTOR APPROVAL**

The contents of this Information Circular and the sending thereof to the Shareholders have been approved by the Board.

Dated at Vancouver, British Columbia, this 8th day of July, 2024.

**BY ORDER OF THE BOARD**

Signed: "**Peter Montross**"

Peter Montross
Chief Executive Officer, President and Chairman

**SCHEDULE "A"**

**FAIRNESS OPINION**

*See attached.*

# FAIRNESS OPINION

## Proposed Transaction between

## Digital Commerce Payments ("DCP")
## and
## Venzee Technologies Inc. ("VENZ")

**Prepared for:**
**Members of the Board of Venzee Technologies Inc.**

**May 14, 2024**

RwE Growth Partners, Inc.

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## APPENDICES AND SCHEDULES

# 1.0 ASSIGNMENT AND PROPOSED TRANSACTION

*Assignment*

RwE Growth Partners, Inc. ("RwE" or the "authors of the Report") was engaged by the Board of Directors (the "Board") of Venzee Technologies Inc. ("VENZ", or the "Public Company") to prepare this Fairness Opinion (the "Report") regarding the fairness of a proposed transaction between VENZ and Digital Commerce Payments ("DCP").

*Proposed Transaction*

RwE has been advised by the management of DCP that VENZ and DCP have agreed to a non-royalty bearing software right-of-use agreement pursuant to which DCP will grant VENZ (the "DCP Software Agreement" or "Software Agreement" – refer to Appendix 1.0) on a perpetual, global and exclusive basis, the right-to-use certain Product Information Management Software ("DCP PIM Software", "PIM Software", "PIM" or the "Software"). The Software Agreement states that consideration for the Software may be satisfied by way of a cash payment or the issuance of a number of VENZ shares (the "VENZ Shares") that equal the fair value of the Software as set out on the Report. RwE has been advised that based on VENZ's current cash position (as can be found in the Report's Schedules), it is expected that the consideration will be satisfied by way of the issuance of VENZ Shares. VENZ and DCP (the "Parties") have agreed to set a deemed price of the VENZ Shares at C$0.22 per VENZ share (converted at C$1.00 = US$0.7539) or at US$0.17 per VENZ share. Note: the Parties understand that the final price of a VENZ Share should be the market price on or before the day that the Software Agreement is signed per TSX-V policies. The PIM Software is meant to supplement and expand on the capabilities of VENZ's existing software and intellectual property (referred to as the "VENZ Software"). Refer to section 2.0 below for a description of the VENZ Software.

As at, or before, the signing and execution of the Software Agreement, DCP (and certain principals of DCP – i.e., Mr. Jeff Smith ("Smith"), a current shareholder of VENZ, has agreed to not restructure, nor convert certain Convertible Debentures, nor fees for Consulting and Advisory Services, nor any Non-Convertible Notes (collectively the "DCP Debt"). The Debt / Services / Notes owed to DCP will remain to be US$846,068. The reader should refer to Appendix 2.0 - Proforma Share Structure of VENZ Pre- and Post-Proposed Transaction – for an overview of the VENZ Shares to be issued as part of the Software Agreement arrangement with VENZ. VENZ intends to remain listed on the TSX Venture Exchange (the "TSX-V" or the "Exchange"). VENZ will continue to operate its current business which would be aided following the entry into the DCP Software Agreement and utilization of the PIM Software. A description of VENZ's business can be examined at https://venzee.com/. The above is referred to as the "Proposed Transaction".

The Report opines only as to the fairness of the Proposed Transaction from a financial point of view of the VENZ's shareholders only. The Report, or a summary, may be

submitted to the Exchange as part of completing the Proposed Transaction. VENZ/DCP paid RwE a fixed professional fee, plus GST taxes to prepare this Report.

RwE, its principals and partners, staff and associates, do not assume any type of responsibility and/or business / financial liability for losses incurred by VENZ, DCP, Smith and/or any related equity holders and/or warrant holders and/or securityholders of VENZ, DCP and/or any of VENZ/DCP's directors and/or its management, and/or the Exchange, Court and/or any regulatory bodies and/or other parties as a result of the circulation, publication, reproduction, or use of the Report, as well as any as any use contrary to the provisions of the Report and the signed RwE and VENZ engagement letter.

The Report is based on the scope of work that has been undertaken, the data and information provided by the Parties and the various assumptions made.

RwE has not audited the information and data provided by the Parties, nor has it performed any forensic review, nor can it be expected to catch or identify any fraud and/or misleading data or information from the Parties.

Instead, RwE has relied on the fact that the Parties have provided accurate and reliable data.

RwE also reserves the right to review all calculations included or referred to in the Report and, if RwE considers it necessary, to revise the Report in light of any information existing at the Valuation Date (i.e., as at or near the date of the Report using VENZ December 31, 2023 data) which becomes known to RwE after the Report's date.

Unless otherwise indicated, all monetary amounts are stated in United States dollars and are converted to Canadian dollars (C$) at the rate of C$1.00 = US$0.7539; which is the stated exchange rate as at or near the Valuation Date.

## 2.0 BACKGROUND

Readers are recommended to review VENZ's products and offerings. This is best donne, RwE is advised, by directly connecting the management and Board of VENZ.

DCP will provide, via the Software Agreement, some enhanced PIM and Product Experience Management ("PXM") software (i.e., noted and referred to as the PIM Software).

The DCP PIM Software will provide VENZ Software and other users' enhanced scope and management functionality that is meant to broaden the capabilities of the existing VENZ Software and the total addressable market, as the VENZ Software serves only as a data connector, whereas the DCP PIM Software is a data connector and inventory management solution. Readers can obtain further descriptions and details of the PIM Software from VENZ and/or DCP and are recommended to do so by RwE.

A summary of the DCP PIM Software is attached in Appendix 3.0 - DCP PIM Software Overview. RwE has reviewed the materials provided from DCP and VENZ.

Readers should obtain business descriptions from VENZ and DCP regarding the plans of the Public Company and the use of the Software Agreement and are recommended to do this by RwE.

The Public Company has not yet generated any material revenues and has incurred significant losses to-date. Whether the Public Company could with its existing VENZ Software and business model generate material revenues and cash flows – without a new material round of new capital – remains very uncertain to RwE.

Furthermore, the Public Company is burdened with debt and obligations that put downward pressure on its balance sheet and ability to operate given shortages in available working capital.

It is, therefore, logical that the Public Company is considering the Proposed Transaction as a means to reset the business operations.

Readers are recommended to review Appendix 4.0 – VENZ December 31, 2023 Financial Statements (the latest VENZ financial statements).

## 3.0 SCOPE OF THE REPORT AND FINDINGS

RwE has relied on the following documents and information:

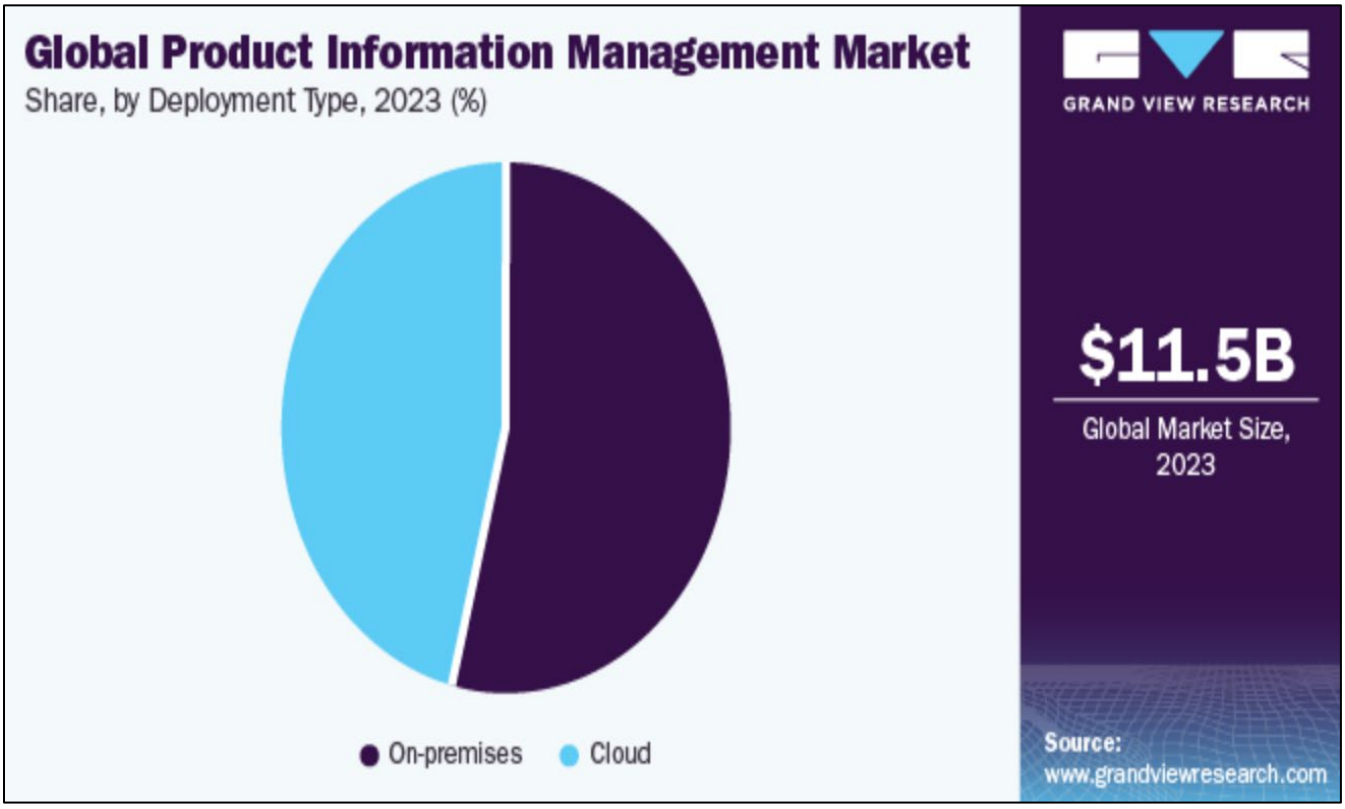
- Interviewed some members of the Board of VENZ and key staff and management of DCP.
- Obtained data from VENZ's legal counsel regarding the structure of the Proposed Transaction.
- Collected data regarding the past, present and planned development of VENZ and from the VENZ management.
- Collected data regarding the planned development and rollout of the DCP PIM Software from DCP management.
- Relied on data and information from VENZ regarding the present and planned operations of VENZ going forward.
- Collected data on the business of VENZ and on the DCP PIM Software.
- Reviewed the draft DCP and VENZ Software Agreement (refer to Appendix 1.0)
- Reviewed the draft proforma share structure of VENZ (refer to Appendix 2.0) on a pre- and post-Proposed Transaction basis. Reviewed the provided Capitalization Table,

which is subject to TSX-V approval.

- Reviewed on www.sedarplus.ca the filings and financial statements of VENZ. This review included examining the most current published financial statements of VENZ, which is the compiled December 31, 2023 statements. It also included a review of the March 31, 2023 and 2022 audited financial statements.

- Reviewed the historical transactional share data on VENZ as provided by the Public Company's Chief Financial Officer.

- The global product information management market size was estimated at US$11.5 billion in 2023 and is projected to grow at a CAGR of 16.7% from 2024 to 2030. The increasing need to boost team productivity, data syndication, and managing product data, as well as the thriving e-commerce industry, is expected to drive the market growth. Moreover, the increasing investment in the technological advancements is also driving the market growth. VENZ/DCP management noted to RwE that, *"PIM and content syndication does not help companies gather customer insights and engage with their customers. A more valid and border industry that can be looked at as Digital Supply chain - specific growth of Digital Shelves and end users. The growth of PIM is directly tied to the growth of Digital Shelves and ecommerce. Furthermore, we need to set out clearly that the growth in retail and e-commerce is very strong over the next few years, and this justifies strong growth prospects for PIM software companies. You should note that the PIM industry is nascent and the market is still very fragmented, which means new players like VENZ with new software can achieve growth."*



- VENZ/DCP management also added to RwE that, *"The e-commerce market is projected to grow from USD 8.80 trillion in 2024 to USD 18.81 trillion by 2029, at a CAGR of 15.80%. This growth is driven by increasing internet penetration and smartphone usage, leading to a rise in online shopping. Established businesses are moving online due to lower costs and efficient client reach, with online marketing tools further driving e-commerce. The COVID-19 outbreak has increased online shopping preference, significantly impacting economies like the US, China, India, and Italy, and thus affecting the market in Europe and North America. Growth of e-commerce in terms of revenues and users is directly tied to PIM and syndication market growth. In 2023, global retail e-commerce sales reached an estimated 5.8 trillion U.S. dollars. Projections indicate a 39 percent growth in this figure over the coming years, with expectations to surpass eight trillion dollars by 2027. This translates into very strong demand and growth for the PIM market. The Product Information Management (PIM) market is projected to grow from USD 19.47 billion in 2024 to USD 55.48 billion by 2029 at a CAGR of 23.30%. PIM solutions, which offer a centralized platform for managing product data, are gaining traction due to their increasing application in retail and e-commerce. These systems integrate various product information from multiple sources, promoting consistent and quality data for customers. The rise in data generation and the demand for better customer experience have led to increased attention to PIM systems. The growing popularity of cloud-based PIM and the expansion of retail and e-commerce businesses further drive the adoption of PIM systems. Amid COVID-19, brands have shifted focus to e-commerce platforms like Shopify for direct-to-consumer sales while maintaining brand and customer data. The retail industry, with its focus on enhancing customer experience and adopting AI and retail analytics tools, is expected to drive PIM adoption. PimCore, Salsify and Akeneo are leaders in the product information management space with significant market share in North American and European Markets."*

- The rapid expansion of e-commerce is one of the significant factors driving the growth of the market. As more consumers turn to online shopping platforms for their purchasing needs, businesses are under increasing pressure to provide accurate, comprehensive, and engaging product information across various digital channels. In the highly competitive e-commerce landscape, having high-quality product data is essential for attracting and retaining customers. According to the Census Bureau of the Department of Commerce statistics, U.S. retail e-commerce sales increased 2.3% from Q2 to Q3 2023.

- E-commerce platforms rely heavily on product information to drive sales and enhance the shopping experience. Detailed product descriptions, images, videos, customer reviews, and other relevant content are crucial in helping consumers make informed purchasing decisions. PIM solutions serve as centralized hubs where businesses can efficiently manage and enhance this vast amount of product data and inventory across multiple digital marketplaces and multiple contractual arrangements. E-commerce platforms rely heavily on product information to drive sales and improve the shopping experience.

- The product information management market in U.S. is expected to grow at the fastest CAGR of 17.5% during 2024-2030. It is attributed to the increasing reliance of businesses on data to make their strategies and growth, with the need for accurate, reliable, and accessible product information becoming essential. Additionally, the U.S. accounted for over 30% of the global market in 2023 and is expected to grow at the significant CAGR from 2024-2030.

- Pimcore is an open-source enterprise software platform that offers a comprehensive solution for product information management, customer data management, master data management, digital asset management, content management, and digital commerce.

- The platform is built on PHP and MySQL/MariaDB and is extensible through third-party components and plugins. Pimcore is a modular software architecture that utilizes leading development frameworks, such as Symfony and Twig, and follows the specifications and definitions of the PHP Framework Interop Group

- Akeneo is a Product Experience company specializing in Product Information Management solutions, helping organizations deliver engaging, enriched, consistent, and compelling product experiences across all owned and unowned channels. Akeneo's flagship product, Akeneo Product Cloud, is a composable SaaS-based solution for activating, orchestrating, and innovating product information

- Also collected general business data from Bloomberg, Reuters, Capital IQ, Bank of Canada, Toronto Dominion Bank, Scotiabank, Moodys, Financial Week, Barrons, The Globe and Mail, mergermarket, TD Securities and BMO Capital Markets.

- Reviewed all data and feedback provided by the Parties.

## 4.0 CONDITIONS AND RESTRICTIONS OF THE REPORT

- RwE understands that a summary of the signed Report may be included in a VENZ disclosure document including a Management Information Circular. The signed Report may be used for inclusion in public disclosure documents in Canada only. RwE will review public disclosure documents in order to ensure accuracy and consistency with the Report. Consent to such review will not be unreasonably withheld. The Report cannot be submitted to the CRA or the IRS, nor can it be used in any litigation(s).

- RwE applied generally accepted CICBV valuation principles to the financial information it received from VENZ and followed valuation standards.

- RwE has assumed that the information, which is contained in the Report, is 100% accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Report that the Parties, or their representatives, are aware of. RwE did not attempt to audit the accuracy or

completeness of the financial, technical, exploration, development and business data and information provided to it. This Report contains conclusions on fair value and on the fair market value of the Parties based on a limited review and analysis undertaken.

- This Report has been prepared in light of those standards of the Canadian Institute of Chartered Business Valuators and the American Society of Appraiser (both of which Richard W. Evans is a member in good standing).

- Should the assumptions used in the Report be found to be incorrect, then the valuation and conclusions may be rendered invalid and would likely have to be reviewed in light of correct and/or additional information. The Report, and more specifically the assessments and views contained therein, is meant as independent review of the Proposed Transaction as at the Valuation Date respecting the scope outlined above.

- The authors of the Report make no representations, conclusions, or assessments, expressed or implied, regarding Companies after the Valuation Date.

- The information contained in the Report pertains only to the conditions prevailing at the time the Report was completed in March to April 2024 to the Report Date.

- RwE denies any responsibility, financial or legal or otherwise, for any use and/or improper use of the Report however occasioned.

- Any legal disputes or legal action against ICC as a result of the Report, or any other matter, is agreed by the Parties and their management, officers, directors and their respective shareholders are agreed to be settled only in a Canadian court of law.

- RwE as well as all of its principals, partner, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by RwE, its principals, partner, any of its directors, officers, shareholders or employees, shall be limited to the fees charged and paid for the Report.

  No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Report.

## 5.0 ASSUMPTIONS OF THE REPORT

The authors of the Report have made the following assumptions in completing the Report:

(1) As at the Valuation Date all assets and liabilities in respect of VENZ have been recorded in their financial statements and follow IFRS standards. An audit of VENZ's December 31, 2023 financial statements would not result in any material change to the financial statements RwE received. This is a critical assumption.

(2) There is no material change in the financial position of VENZ from December 31, 2023 to March 31, 2024 and to the Report's Date. This is a critical assumption.

(3) The Parties and all of their related parties and their principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other than those disclosed by management and included in the Report that would affect the evaluation or comments on the Proposed Transaction and the Parties. All DCP Debt is included in Schedules 1.1 and 2.1.

(4) All of the material data and information set out in Appendices 1.0 to 4.0 are 100% complete, accurate and correct. This is a critical assumption.

(5) As stated by the Parties the projections of VENZ provided to RwE are reflective and inclusive of the new DCP PIM Software (via the Software Agreement) – which are needed and used to obtain such projections. This is a critical assumption.

(6) Appendix 2.0 - Proforma Share Structure of VENZ Pre- and Post-Proposed Transaction sets out the proforma shares to be issued as part of the Proposed Transaction and is 100% accurate and correct (including all notes) as provided to RwE. This is a critical assumption.

(7) All conditions precedent to the closing of the Proposed Transaction have, or will be completed, or waived, as set out in the Report, as at or before the closing of the Proposed Transaction and that all Parties complete the Proposed Transaction without any material change/concern/addition/deletion to the shares issued to each of the Parties.

(8) There are no other dilutive events at the close of the Proposed Transaction other than what has been disclosed by the Board in the Report.

(9) There will be no unforeseen and/or material negative tax consequences to VENZ's shareholders and/or securityholders through the closing of the Proposed Transaction.

(10) RwE has been advised by the Board that the Parties will complete the Proposed Transaction with no external financing. VENZ has advised RwE that DCP will assist with needed VENZ working capital. RwE has assumed this to be accurate.

(11) The Parties have advised RwE that Schedule 10.1 accurately sets out the terms and conditions of the Proposed Transaction. This includes that: (a) the Software Agreement will be issued to DCP in exchange for a number of VENZ Shares that equal to a deemed price of the PIM Software; (b) DCP (and certain members of DCP) will NOT convert any of the DCP Debt; (c) VENZ and DCP have agreed to set the price for the VENZ shares at deemed price of C$0.22 per VENZ Share (converted at C$1.00 = US$0.7539) or at US$0.17 per VENZ Share. RwE has relied on all of these declared Assumed Facts as being 100% true and accurate. This is a critical assumption.

(12) The Report uses financial information on VENZ provided by as at December 31, 2023. Readers are cautioned regarding this. Given the timeframe from this date to the closing of the Proposed Transaction, readers should note that RwE obtained from VENZ management and the Board that there will be no material changes in such reported financial data that would change the findings of the Report. This is a critical assumption.

(13) The Board has noted to RwE that it is not aware of any other facts involving the Proposed Transaction, or any other matter, that would have any material effect on the conclusions in the Report that has not been provided to RwE.

RwE reserves the right to review all information and calculations included or referred to in this Report and, if it considers it necessary, to revise its views in the light of any information which becomes known to it during or after the date of this Report.

## 6.0 DEFINITION OF FAIR VALUE AND FAIR MARKET VALUE

For the Report, fair value is set out in International Financial Reporting Standards (IFRS) 13 Fair Value Measurement. This applies to IFRS that require or permit fair value measurements or disclosures and provides a single IFRS framework for measuring fair value and requires disclosures about fair value measurement. The standard defines fair value on the basis of an 'exit price' notion and uses a 'fair value hierarchy', which results in a market-based, rather than entity-specific, measurement. IFRS 13 was originally issued in May 2011 and applies to annual periods beginning on or after January 1, 2013 on a go forward basis.

Fair Value is the method of valuing business assets (and liabilities) for financial reporting in line with accounting practices as established by the Financial Accounting Standards Board (FASB). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair Value is also defined as “the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm’s-length transaction” in the International Valuation Standards, 2007, p. 88 by the International Valuation Standards Council. IFRS uses this definition.

In conducting this assignment, sufficient information, and due diligence investigations regarding the background of the Parties, operations, future plans, the industry and markets and major risk factors must be researched, reviewed, and analyzed. This information and our assessments of these areas will be incorporated into the Report. In this Report, fair market value is the price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts. In Canada, the term “price” should be replaced with the term “highest price”. This definition is set out in: https://cbvinstitute.com/wp-content/uploads/2020/02/Practice-Bulletin-No.-2-E.pdf.

With respect to the market for the shares of a company viewed "en bloc" there are, in essence, as many "prices" for any business interest as there are purchasers and each purchaser for a particular "pool of assets", be it represented by overlying shares or the assets themselves, can likely pay a price unique to it because of its ability to utilize the assets in a manner peculiar to it.

In any open market transaction, a purchaser will review a potential acquisition in relation to what economies of scale (e.g., reduced or eliminated competition, ensured source of material supply or sales, cost savings arising on business combinations following acquisitions, and so on), or "synergies" that may result from such an acquisition.

Theoretically, each corporate purchaser can be presumed to be able to enjoy such economies of scale in differing degrees and therefore each purchaser could pay a different price for a particular pool of assets than can each other purchaser.

Based on the authors of the Report's experience, it is only in negotiations with such a special purchaser that potential synergies can be quantified and even then, the purchaser is generally in a better position to quantify the value of any special benefits than is the vendor.

In this engagement RwE was not able to expose any of the assets of the Parties for sale in the open market and were therefore unable to determine the existence of any special interest purchasers who might be prepared to pay a price equal to or greater than the fair value or fair market value outlined in the Report.

RwE should note that it is possible that a special interest purchaser may pay a price that is higher than fair market value (i.e., the special purchaser price). The reason for this may be synergistic reasons known only to them.

RwE has not factored in any likely special purchaser consideration for the reasons that valuators cannot reasonably quantify such synergies, and valuation literature supports, that unless such synergies can be quantified and proven (though multiple written bids, etc.) they cannot be included.

## 7.0 COMPARATIVE ANALYSIS REVIEW OF PROPOSED TRANSACTION

### 7.1 Overview

RwE was engaged by the Board to opine solely on the fairness of the Proposed Transaction to the VENZ shareholders. *No other RwE opinion is given regarding VENZ and/or DCP and/or any of its other existing and/or proposed transactions.*

When valuing an asset and/or a business, there is no single or specific mathematical formula. The particular approach and the factors to consider will vary in each case. Valuation approaches are primarily income-based or asset-based. Income-based approaches are appropriate where an asset and/or enterprise's future earnings are likely to support a value in excess of the value of the net assets employed in its operation.

Commonly used income-based approaches are the Capitalization of Indicated Earnings or Capitalization of Maintainable Cash Flows or a Discounted Cash Flow.

Asset-based approaches can be founded on either going concern assumptions (i.e. an enterprise is viable as a going concern but has no commercial goodwill) or liquidation assumptions (i.e. an enterprise is not viable as a going concern, or going concern value is closely related to liquidation value).

Standard valuation methods applicable to determining value can be grouped into five general categories:

(1) Cost approach;

(2) Market approach (or sales comparison approach);

(3) Income-based approach;

(4) Rules-of-Thumb approach; and

(5) Combination of any of the above approaches.

As there are many definitions of cost, the Cost approach generally reflects the original cost of the assets and/or business in question or the cost to reproduce the intangible assets of the business itself.

This approach is premised on the principle that the most a notional purchaser and/or an investor will pay for an investment is the cost to obtain an investment of equal utility (whether by purchase or reproduction).

The Market or Sales Comparison approach uses the sales price of comparable assets as the basis for determining value. If necessary, the market transaction data is adjusted to improve its comparability and applicability to the asset being valued.

The Income-Based Approach considers the earnings to be derived through the use of the asset. The capitalized value of the Public Company's earnings or cash flows is determined with the application of a capitalization rate, reflecting an investor's required rate of return on such an investment.

The Rules-of-Thumb approach can be applied to certain assets to serve as a useful determination of value when industry professionals provide specific information as to standard industry characteristics and/or acknowledged and accepted rules. Rules-of-Thumb often involve the input of specific industry competitors and professionals to indicate certain measurable criteria that can be applied to as indications of value.

Lastly, a combination of the above approaches may be necessary to consider the various elements that are often found within specialized companies and/or are associated with various forms of intangible assets.

# 8.0 COMPARATIVE ANALYSIS

## 8.1 Methods Used

8.11 RwE has opined on the fairness of VENZ's proposed software right-of-use arrangement with DCP and the overall related items to this (i.e., the Proposed Transaction). Also, RwE had to consider that part of the Proposed Transaction also included VENZ issuing DCP (and certain members of DCP) certain common shares as consideration for the Parties signing the Software Agreement.

In doing the above, one has to assess and consider the:

1) fair market value of VENZ on a pre-Proposed Transaction basis;

2) fair value of the Software Agreement; and

3) there is no conversion of the DCP Debt to VENZ common shares.

A set of assets or a business is deemed to be a going concern if it is both conducting operations at a given date and has every reasonable expectation of doing so for the foreseeable future after that date. If such assets or a company is deemed to not be a going concern, it is valued based on a liquidation assumption.

In reviewing the VENZ historical operations it is apparent to RwE that the business has not been able to secure any material revenues for an extended period and it is highly unlikely that any purchaser would view any forecast of the "go-forward" business as a means to value VENZ. Given this, RwE has valued VENZ based on an average of Book Value, Adjusted Book Value (using Cost Method for the existing VENZ software and IP), Historical Transactions provided to RwE by VENZ showing recent funding up to C$0.08 per VENZ shares and/or units; and the implied Market Capitalization of VENZ less the existing financing liabilities of the Public Company.

The management of DCP noted to RwE that the new DCP PIM Software will provide the means and robustness to provide VENZ with the ability to secure new revenues and eventual positive EBITDA. The revenue and EBITDA projections of the VENZ business is hence reflective and dependent on the functionality and capability of the DCP PIM Software. Given this, RwE valued the DCP software based around: (a) such projections; (b) via a replacement costs of the DCP PIM Software; and (c) a review of market and company capital market and M&A transactions involving firms with somewhat similar business model and/or intellectual property.

8.12 In assessing the assets and/or a business, there is no single or specific mathematical formula. The particular approach and the factors to consider will vary in each case. Where there is evidence of open market transactions having occurred involving the shares, or operating assets, of a business interest, those transactions may often form the basis for

establishing the value of the Public Company. In the absence of open market transactions, the three basic, generally-accepted approaches for valuing a business interest are:

(a) The Income / Cash Flow Approach;

(b) The Market Approach; and

(c) The Cost or Asset-Based Approach.

A summary of these generally-accepted valuation approaches is provided below.

8.13 The Income/Cash Flow Approach is a general way of determining a value indication of a business (or its underlying assets), using one or more methods wherein a value is determined by capitalizing or discounting anticipated future benefits. This approach contemplates the continuation of the operations, as if the business is a "going concern".

8.14 The Market Approach to valuation is a general way of determining a value indication of a business or an equity interest therein using one or more methods that compare the subject entity to similar businesses, business ownership interests and securities (investments) that have been sold. Examples of methods applied under this approach include, as appropriate: (a) the "Guideline Public Company Method", (b) the "Merger and Acquisition Method"; and (c) analyses of prior transactions of ownership interests.

8.15 The Cost Approach is based upon the economic principle of substitution. This basic economic principle asserts that an informed, prudent purchaser will pay no more for an asset than the cost to obtain an opportunity of equal utility (that is, either purchase or construct a similar asset). From an economic perspective, a purchaser will consider the costs that they will avoid and use this as a basis for value.

The Cost Approach typically includes a comprehensive and all- inclusive definition of the cost to recreate an asset. Typically, the definition of cost includes the direct material, labor and overhead costs, indirect administrative costs, and all forms of obsolescence applicable to the asset.

8.16 The Asset-Based Approach is adopted where either:

a) liquidation is contemplated because the business is not viable as an ongoing operation;

b) the nature of the business is such that asset values constitute the prime determinant of corporate worth (e.g., vacant land, a portfolio of real estate, marketable securities, or investment holding company, etc.); or

c) there are no indicated earnings/cash flows to be capitalized and/or cash flows to be discounted to their NPV.

If consideration of all relevant facts establishes that the Asset-Based Approach is applicable, the method to be employed will be either a going-concern scenario ("Adjusted

Net Asset Method") or a liquidation scenario (on either a forced or an orderly basis), depending on the facts.

8.17 Lastly, a combination of the above approaches may be necessary (i.e., a "Weighted Approach") to consider the various elements and time periods (i.e., past, present and future) that are often found within operating businesses as well as specialized companies and/or those firms associated with various forms of intellectual property and where one or two approaches to value is insufficient to capture the nature of the business and its assets.

8.18 The detailed valuation work related to VENZ and the DCP PIM Software and related Software Agreement is shown in Schedules 1.1 to 9.1.

## 9.0 FAIRNESS CONSIDERATIONS

The Report addresses only the fairness of the Proposed Transaction to the VENZ shareholders, from a financial point of view.

The Report may not be used by any other person or relied upon by another person other than the Board and does not confer any rights or remedies upon any employee, creditor, shareholder, or other equity holder of VENZ and/or DCP or any other party.

The fairness of a Proposed Transaction for the VENZ's shareholders is tested by:

i. Assessing the value of the components of the Proposed Transaction. This was set out in Schedules 1.1 and 9.1.

ii. Relying on the disclosures set out in Appendices 1.0 – 4.0 of the Report.

iii. Considering qualitative factors, such as simplification or synergies, that may result from the Proposed Transaction.

There are many events that are assumed will occur between the Valuation Date and the closing of the Proposed Transaction. These events are either conditions of the Proposed Transaction or are necessary (e.g., due diligence, legal costs and other costs incurred in connection with the Proposed Transaction) aspects of the closing process.

## 10.0 CONCLUSION AS TO FAIRNESS

Based upon RwE's analysis work and subject to all of the foregoing, RwE is of the opinion, as at the Valuation Date, that the terms of the ***Proposed Transaction is fair, from a financial point of view, to the shareholders of VENZ***.

In assessing the fairness of the Proposed Transaction to the shareholders of VENZ, RwE has considered, *inter alia*, the following:

1. All of the components of the Proposed Transaction.

2. The relative value of VENZ and the DCP PIM Software and Software Agreement. Cost, income and market methods of assessments were used.

3. Other potential benefits that may be realized subsequent to the completion of the Proposed Transaction include the ability of the new DCP PIM Software to drive the business of VENZ – which although material capital has been spent on its business – has not generated any significant revenues and/or positive EBITDA. RwE has considered this, and other factors, in the Parties completing the Proposed Transaction.

4. RwE has not attempted to quantify other additional qualitative potential benefits. Certain additional potential benefits are as follows:

    i. The Proposed Transaction does appear to crystalize the combined business models better and with more chance of financial success. The Proposed Transaction approach allows all Parties to operate within a more defined and strategic commercial plan. This is logical and more prudent.

    ii. Raising capital for VENZ (which appears to be needed in 2024) will at least be possible with the Proposed Transaction and the continued financial support of Smith, DCP and other new parties. Capital markets may like the VENZ and DCP corporate engineering around the Proposed Transaction. Operating as is, does not appear viable.

    iii. The Proposed Transaction allows the VENZ shareholders to retain a certain ownership interest in VENZ, while providing Smith and DCP with the needed share position post-Proposed Transaction that will incentivize them to build out the business of VENZ. This is logical. However, the non-conversion of DCP Debt does appear highly onerous to VENZ and likely will have to be dealt within in the foreseeable future in order to seek external equity.

    iv. VENZ shareholders do not have to contribute any additional material equity capital to VENZ in the short-term. Hence, VENZ shareholders, through their ownership of VENZ shares, can continue to participate in the possible opportunities associated with the new revised VENZ business plan.

    v. The Proposed Transaction does not disrupt the overall business operations of VENZ.

    vi. Private placements remain difficult for small companies that have early-stage results. Capital markets terms/conditions, although improving, still do not appear as favorable as at the Valuation Date as they once did, hence rationalizing the VENZ business with new intellectual property that is synergistic to the old VENZ business is rational and logical.

***When one considers all of the above together, it is reasonable to conclude that the Proposed Transaction is fair, from a financial viewpoint to the shareholder of VENZ. Readers should refer to Schedule 10.1 for the Fairness Calculation.***

# 11.0 QUALIFICATIONS AND CERTIFICATE

## 11.1 Qualifications

The Report preparation, and related fieldwork and due diligence investigations, were carried out by Richard W. Evans, MBA, CBV, ASA and other parties of RwE, who were fully supervised by Mr. Evans.

Since 1994 Richard W. Evans has been involved in the financial services and management consulting fields and has been involved in the preparation of over 4,500 technical and assessment reports, business plans, business valuations, and feasibility studies.

Richard Evans has more than thirty years of experience working in the areas of valuation, litigation support, mergers & acquisitions and capital formation.

He has more than ten years of management experience in the high-tech field where he held various positions in technical support, development, marketing, project manager, channels management and senior management positions.

Prior to focusing on expanding and diversifying a small financial consulting firm, Richard was extensively involved in the high technology sector in Western Canada and the U.S. Pacific Northwest where he served for two years as the General Manager of Sidus Systems Inc. At Sidus he was directly responsible for managing the firm's US$15 million business operation throughout Western Canada and the Pacific Northwest.

Previous to this, he spent almost nine years with Digital Equipment of Canada Limited where he was involved in a technical support, sales, marketing, project management and eventually channels management capacity.

Mr. Evans has conducted numerous valuations and fairness opinions of more than 100 biotechnology and health sciences companies over the past many years in which his clients, their advisors, buyers, planners, accountants and the courts and regulatory bodies have been satisfied and relied on Mr. Evans as a qualified valuator.

Many of the reports he has authored have been used by various Canadian , U.S., European and Asian stock exchanges and regulatory bodies, the court systems in B.C., Alberta and Ontario as well as in the U.S. and Europe. He has also done work for public regulatory boards and groups worldwide involved in biotechnology, medical and health sciences.

Richard has been actively involved in the above professional services with hundreds of companies and has served as a board member for a select number of public and private firms. His area of professional expertise is in middle market and micro-cap companies, especially firms needing advice and assistance with their business plans, operating plans and valuations.

He has also undertaken work used on and relied upon by public companies and regulatory bodies in Canada, the United States, Europe and Asia.

Richard is extensively involved in sports coaching management and volunteer work throughout BC helping young adults and volunteer associations.

He obtained his Bachelor of Business Administration degree from Simon Fraser University, British Columbia in 1981 as well as completed his Master's degree in Business Administration at the University of Portland, Oregon in 1984 (where he graduated with honors). Richard holds the professional designations of Chartered Business Valuator and Accredited Senior Appraiser.

He is a member in good standing with both the Canadian Institute of Chartered Business and the American Society of Appraisers.

## 11.2 Certification and Independence

The analyses, opinions, calculations and conclusions were developed, and this Report has been prepared in accordance with the standards set forth by the Canadian Institute of Chartered Business Valuators and follows standards.

RwE was paid a professional fee, plus GST taxes for the preparation of the Report. The professional fee established for the Report has not been contingent upon the value or other opinions presented.

The authors of the Report have no present or prospective interest in the Parties and/or any other entity / company / property that is the subject of this Report.

RwE and Richard W. Evans have no personal interest with respect to any of the Parties involved with any of the entities or properties described within this Report.

RwE and Richard Evans have relied on information and data provided to it by the Board.

It is understood that this Report is solely for the information of the Board and is rendered to the Board in connection with the Proposed Transaction and may not be used for any other purpose or relied upon by any other person without RwE's prior written consent.

**RwE Growth Partners, Inc.**

Richard W. Evans, MBA, CBV, ASA

Chartered Business Valuator – Canadian Institute of Chartered Business Valuators Accredited Senior Appraiser – American Society of Appraiser

Telephone: (778) 374-1994

# REPRESENTATION & WARRANTY LETTER

***VENZEE TECHNOLOGIES INC.***

**TO: RwE Growth Partners, Inc.** **Attention: Richard W. Evans**
4720 Kingsway
Unit 2600 Metrotower 2
Burnaby, British Columbia
Canada V5H 4N3

**Disclosure of Information for the Fairness Opinion (the "Report")**
**regarding a Proposed Transaction between**
**Digital Commerce Payments ("DCP") and Venzee Technologies Inc. ("VENZ")**

VENZ and its Board (collectively the "Parties") acknowledge and confirm that all of the Parties have provided all pertinent and necessary information, to the best of our collective knowledge and ability, to RwE Growth Partners, Inc. ("RwE") for their preparation of the Report, dated, for reference, May 14, 2024.

The Parties further acknowledge that we have collectively reviewed the entire Report and thereafter provided all necessary feedback and information to RwE so that RwE is now in a position to issue a final, authorized and signed Report.

In summary, the Parties and all representatives of the Parties have made full, true and plain disclosure to RwE concerning he Parties and all subsidiaries and entities, their assets and liabilities, the terms and conditions of the Proposed Transaction (all as stated in the Report) and all elements related to the Proposed Transaction – as is reflected in the Report.

The Parties confirm, to the best of our collective knowledge and belief, the following representations made to you during the preparation of the Report:

1. The Parties are collectively responsible for the fair presentation of information regarding the history of VENZ and all aspects related to the Parties as defined in the Report. The VENZ financial information provided is, to the best of our collective knowledge, 100% accurate. The information contained in the Report represents accurately the history of VENZ and there are no facts or omissions of information that would materially affect the disclosures contained therein.

2. The Parties have made available to you (to the best of our knowledge):
    - Full technical data available on the assets related to the VENZ assets

- All financial records and related data on VENZ and on all aspects of the Proposed Transaction and all related matters
- All available financial, technical and resource data
- Any and all material contracts and agreements
- Existing and previous data, documentation, and other information required for the completion of the Report

3. There have been, and are, no:

   - Irregularities involving VENZ and/or their directors, management or anyone else involved in the Proposed Transaction. or with any of the related parties to either form that have not been entirely disclosed.

   - Communications from any government, court, commission or regulatory body or agency of the federal, provincial, or municipal governments or related bodies concerning any violations of any laws, regulations or rulings thereof concerning VENZ or any assets involved in the Proposed Transaction (to the best of our knowledge) and any related parties.

   - Nor has there been any such violation or possible violations that could have any material effect on the Report.

5. We have no plans or intentions that may cause the representations, disclosures and information made in the Report to be inaccurate or misleading.

6. As at the date of the Report there are no issues of litigation threatened or implied, including any class action lawsuits or shareholder dissent remedies, actions against the Parties or the planned go-forward entities not disclosed in the Report.

7. As at the date of the Report no minority shareholder interests (to the best of our knowledge), or any related parties or non-arms' length parties are presently being oppressed in any manner.

8. VENZ is in good standing with all securities regulators and there is no litigation(s) pending or threatened.

9. The Parties (to the best of our knowledge) has satisfactory title to all of their assets as described in the Report, and there are no liens or encumbrances on such assets nor has any assets been pledged, except as disclosed in the Report.

10. We have reviewed the Scope of Work conducted by RwE and all of the Assumptions made in the Report. We understand the scope of work conducted by RwE and all of the assumptions made. We believe that the Scope of Work conducted and that the Report's Assumptions are reasonable and logical.

11. We believe as best as we can, as DCP has advised us, that the information received from DCP is accurate and is the basis that we have used in completing the Proposed Transaction with DCP.

12. No events have occurred subsequent to the date of the Report that would require amendment, revision, or disclosure in the Report.

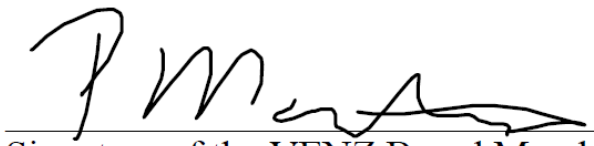
13. There is no material facts, data or information regarding VENZ that is not disclosed in the Report that would be material to its conclusions (to the best of our knowledge).

We declare that we have provided RwE and Richard W. Evans with complete, full, true, and plain disclosure about VENZ as set out in the Report (to the best of our knowledge).

Given that we declare all of the above to be accurate, complete and true, we are now in agreement that RwE may immediately issue to the VENZ Board a final, signed Report.

*Peter Montross*

Name of a VENZ Board Member



Signature of the VENZ Board Member

*2024-05-15*

Date

## APPENDICES AND SCHEDULES

** All of the Appendices are available directly from VENZ **

# SOFTWARE RIGHT OF USE AGREEMENT

**BETWEEN:**

**DIGITAL COMMERCE PAYMENTS INC.**

and

**VENZEE TECHNOLOGIES INC.**

May 14, 2024

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# SOFTWARE RIGHT OF USE AGREEMENT

**THIS AGREEMENT** is made this 14th day of May, 2024,

**BETWEEN:**

**DIGITAL COMMERCE PAYMENTS INC.**, a corporation existing under the laws of Alberta

("**DCP**")

- and -

**VENZEE TECHNOLOGIES INC.**, a corporation existing under the laws of British Columbia

("**Venzee**", together with DCP, the "**Parties**" and, each a "**Party**")

**WHEREAS** DCP desires to grant to Venzee a right of use with respect to the Software (as defined below) described in the List of Features (as defined below);

**AND WHEREAS** Venzee desires to obtain the Right of Use (as defined below) to use the Software (as defined below) for the Permitted Use (as defined below), subject to the terms and conditions of this Agreement;

**AND WHEREAS** as a condition to the grant of the Right of Use in accordance with the terms of this Agreement by DCP to Venzee, Venzee shall use commercially reasonable efforts to obtain all necessary approvals required to complete the transactions contemplated by this Agreement.

**NOW**, **THEREFORE**, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## 1. Definitions

(a). "**Authorized User**" means an employee or contractor of Venzee who Venzee permits to access and use the Software and/or Documentation in accordance with the Right of Use and this Agreement.

(b). "**Automatic Update"** means upgrades, updates, additions, enhancements, or modifications to the Software and/or Documentation, including those resulting in improvements or new features, processes, functions, services or performance metrics.

(c). "**Closing Date**" means July 31, 2024 or such other date as DCP and Venzee may agree upon in writing, on which the Software Fee shall be paid, but in any event no later than the Outside Date.

(d). "**Closing Time**" means 10:00 a.m. on the Closing Date or such other time on the Closing Date as DCP and Venzee may agree upon in writing.

(e). "**Consideration Shares**" means that 19,318,182 Shares which is equal to the Software Fee divided by $0.22.

(f). "**DCP Intellectual Property Rights**" has the meaning ascribed thereto in Section 4(a)(iv).

(g). "**Documentation**" means DCP's user manuals, handbooks, and installation guides relating to the Software provided by DCP to Venzee either electronically or in hard copy form/end-user documentation relating to the Software.

(h). "**EULA**" means the end-user licence agreement that Venzee shall enter into with end-user customers for such end-user customers' access to the Software and Documentation, and which shall accurately describe the functionality and use of the Software.

(i). "**Governmental Authority**" means any: (i) federal, national, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry or agency, minister or commissioner, domestic or foreign; (ii) any subdivision, agent, commission, board, or authority of any of the foregoing; (iii) any quasi-governmental or private body exercising any regulatory, self-regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (iv) any stock exchange.

(j). "**Intellectual Property Rights**" means rights in all: (i) patents, patent disclosures, and inventions (whether patentable or not); (ii) trademarks, trade names, logos, corporate names, and domain names, together with all of the goodwill associated therewith; (iii) copyrights and copyrightable works (including computer programs), and rights in data and databases; (iv) trade secrets, know-how, and other confidential information; (v) industrial designs and design rights; and (vi) all other intellectual property rights, in each case whether registered or unregistered, and including all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection in any part of the world.

(k). "**Laws**" means all laws, statutes, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, writs, injunctions, decrees, policies, notices, directions, judgments, published policies and guidelines, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, including general principles of common and civil law, and the terms and conditions of any grant of approval, permission, authority or licence of any Governmental Authority.

(l). "**Legal Proceeding**" means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review and any application for same.

(m). "**List of Features**" means the list of features attached as schedule "A" attached hereto.

(n). "**Material Adverse Effect**" in respect of a person means any change, effect, event, occurrence, condition or development that: (x) has or could reasonably be

expected to have, individually or in the aggregate, a material and adverse impact on the business, operations, results of operations, assets, capitalization or financial condition of such person; or (y) would reasonably be expected to materially impair or delay the ability of any person to perform their respective obligations under this Agreement, other than any change, effect, event, occurrence or state of facts relating to:

(i) changes, developments or conditions in or relating to general international or Canadian political, economic or financial or capital market conditions;

(ii) any change or proposed change in any Laws or the interpretation, application or non-application of any Laws by any Governmental Authority;

(iii) any act of terrorism or any outbreak of hostilities or declared or undeclared war, or any escalation or worsening of such acts of terrorism, hostilities or war;

(iv) any epidemic, pandemic (including COVID-19 and any variants thereof), earthquake, volcano, tsunami, hurricane, tornado or other natural disaster or act of God;

(v) any action taken (or omitted to be taken) by the applicable person or the counterparty as the case may be, which is required to be taken (or omitted to be taken) pursuant to this Agreement or that is requested or consented to by the other Party in writing, or the failure to take any action by the applicable person or the counterparty as the case may be, if that action is prohibited by this Agreement;

(vi) the execution, announcement or pendency of this Agreement or consummation of the transactions contemplated by this Agreement; or

(vii) any failure by a Party or any of its subsidiaries, as applicable, to meet any estimates, forecasts, projections or expectations regarding its revenues, costs (including capital costs), earnings or other financial performance or results of operations (provided that the underlying cause of any such change may be taken into account in determining whether there has been a Material Adverse Effect).

(o). "**Outside Date**" means August 31, 2024.

(p). "**Permitted Use**" means the integration and utilization of the Software and Documentation by Venzee in order for end-user customers of Venzee to access the Software and Documentation in accordance with EULAs.

(q). "**Personal Information**" means any data or information that constitutes personal data or personal information under any applicable data privacy and/or data protection law, including any information relating to an identifiable natural person.

(r). "**Pre-existing Materials**" means all documents, data, know-how, methodologies, software, and other materials, including computer programs, reports, and specifications, provided by or used by either Party in connection with the

performance of obligations under this Agreement, in each case developed or acquired by such Party before the commencement or independently of this Agreement.

(s). "**Processing**" means any operation or set of operations that is performed on Personal Information, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination, or otherwise making available, alignment or combination, restriction, erasure, or destruction. "Process" and "Processed" will have a corresponding meaning.

(t). "**Right of Use**" has the meaning ascribed thereto in Section 2(a).

(u). "**Shares**" means the common shares in the capital of Venzee.

(v). "**Software**" means the software provided by DCP that enables Venzee to operate its business on a Product Information Management Solution and Automatic Update.

(w). "**Software Fee**" means a one time fee payable at the closing in the amount of $4,250,000.

(x). "**Support Provider**" means the designate of DCP will provide all the support for the Software at all times, at the rates established by DCP from time to time.

(y). "**Third-Party Products**" means any third-party products described in the List of Features provided with or incorporated into the Software.

(z). "**TSXV**" means the TSX Venture Exchange.

(aa). "**Updates**" means any updates, bug fixes, patches, or other error corrections to the Software that DCP generally makes available to all licensees of the Software.

**2. Right of Use.**

(a) Grant of the Right of Use.

Subject to and conditioned on Venzee's payment of Software Fee and compliance with all other terms and conditions of this Agreement, at the Closing Time, DCP shall grant Venzee a royalty-free, fully paid-up, exclusive, non-sublicensable (except to the extent end-user customers of Venzee are permitted access to the Software pursuant to EULAs), non-transferable (except in compliance with Section 15(i)) and perpetual licence (except if Venzee is subject to a Bankruptcy Event in which case the licence and all related rights shall terminate in accordance with Section 14(d)(iii)) to: (i) use the Software and DCP's Pre-existing Materials embedded in the Software solely for Venzee's Permitted Use; and (ii) use and make a reasonable number of copies of the Documentation solely for Venzee's Permitted Use ((i) and (ii) collectively, the "**Right of Use**"). Any copy of the Software: (x) remains DCP's exclusive property; (y) is subject to the terms and conditions of this Agreement; and (z) must include all copyright or other proprietary rights notices contained in the original.

(b) Modifications.

Any Automatic Update to the Software and/or Documentation licenced pursuant to the Right of Use in accordance with Section 2(a) that is made, conceived or reduced to practice by DCP or by third-party licensors shall be deemed to be Software and/or Documentation that is licenced in accordance with Section 2(a).

(c) Use Restrictions.

Venzee shall not use the Software or Documentation for any purposes beyond the Permitted Use and the scope of the Right of Use in accordance with this Agreement. Without limiting the foregoing and except as otherwise expressly set forth in this Agreement, Venzee shall not at any time, directly or indirectly: (i) copy, modify, or create derivative works of the Software or the Documentation, in whole or in part; (ii) rent, lease, lend, sell, sublicence, assign, distribute, publish, transfer, or otherwise make available the Software or the Documentation; (iii) reverse engineer, disassemble, decompile, decode, adapt, or otherwise attempt to derive or gain access to the source code of the Software, in whole or in part; (iv) remove any proprietary notices from the Software or the Documentation; or (v) use the Software in any manner or for any purpose that infringes, misappropriates, or otherwise violates any Intellectual Property Rights or other rights of any person, or that violates any applicable Laws.

(d) Reservation of Rights.

DCP reserves all rights not expressly granted to Venzee in this Agreement. Except for the limited rights and licences expressly granted under this Agreement, nothing in this Agreement grants, by implication, waiver, estoppel, or otherwise, to Venzee or any third party any Intellectual Property Rights or other right, title, or interest in or to the Software.

**3. Software Fee**

(a) In consideration for the grant of the Right of Use by DCP to Venzee pursuant to the terms and conditions of this Agreement, at the Closing Time, Venzee shall satisfy the Software Fee by way of either the payment of $4,250,000 in cash or the issuance by Venzee to DCP (or as DCP may otherwise direct in writing) of the Consideration Shares with such legends or restrictions as required by applicable Laws, including the policies of the TSXV.

(b) All amounts payable by Venzee under this Agreement are exclusive of taxes and similar assessments. Venzee is responsible for all harmonized sales tax (HST), goods and services tax (GST), provincial sales tax (PST), use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any federal, provincial, territorial or local governmental, or regulatory authority on any amounts payable by Venzee hereunder, other than any taxes imposed on DCP's income.

## 4. Representations and Warranties

(a) Representations and Warranties of DCP.

DCP represents and warrants to Venzee as follows, and acknowledges that Venzee is relying upon such representations and warranties in entering this Agreement:

(i) DCP is duly, validly existing and in good standing under the laws of the Province of Alberta and has full corporate power to execute, deliver and perform its obligations under this Agreement;

(ii) this Agreement has been duly authorized by all necessary corporate action of DCP. This Agreement has been duly executed and delivered by DCP and constitutes a valid and binding obligation of DCP enforceable against it in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar Laws generally affecting enforceability of creditors' rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought;

(iii) DCP has not committed an act of bankruptcy, is not insolvent, has not proposed a compromising arrangement to its creditors generally, has not had any petition for a receiving order in bankruptcy filed against it, has not made a voluntary assignment in bankruptcy, has not taken any proceedings with respect to a compromise or arrangement, has not taken any proceeding to have itself declared bankrupt or wound-up, has not taken any proceeding to have a receiver appointed of any part of its assets, has not had any encumbrancer take possession of any of its property and has not had any execution or distress become enforceable or become levied upon any of its property and, to the Knowledge of DCP, no such actions or proceedings have been taken or commenced by any other person;

(iv) DCP owns all right, title and interest in and to, or is validly licenced (and is not in material breach of such licences), all patents, trademarks, trade names, domain names and copyrights that are material to the Software (the "**DCP Intellectual Property Rights**");

(v) to the Knowledge of DCP, all DCP Intellectual Property Rights are valid and enforceable, and to the Knowledge of DCP the DCP Intellectual Property Rights owned by DCP does not infringe in any material way upon any third parties' Intellectual Property Rights in Canada;

(vi) to the Knowledge of DCP, no third party is infringing upon the DCP Intellectual Property Rights owned by DCP in a manner that currently would reasonably be expected to adversely affect such DCP Intellectual Property Rights in any material respect; and

(vii) DCP owns or has validly licenced or leased (and is not in material breach of such licences) the Software.

Each of the representations and warranties contained in this Section 4(a) will be true and accurate at the Closing Time as if made at and as of such time.

(b) Representations and Warranties of Venzee.

Venzee represents and warrants to DCP as follows, and acknowledges that DCP is relying upon such representations and warranties in entering this Agreement:

(i) Venzee is duly, validly existing and in good standing under the laws of the Province of British Columbia and has full corporate power to execute, deliver and perform its obligations under this Agreement;

(ii) Venzee has full power and authority to carry on its business and to enter into any agreement or instrument referred to or contemplated by this Agreement and to carry out and perform all of its obligations and duties hereunder and thereunder. Venzee has all requisite corporate power, authority, capacity and approvals to carry on its business as now conducted and to own, lease and operate its respective assets; and

(iii) this Agreement has been duly executed and delivered by Venzee and constitutes a valid and binding obligation of Venzee enforceable against it in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar Laws generally affecting enforceability of creditors' rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.

Each of the representations and warranties contained in this Section 4(b) shall be true and accurate at the Closing Time as if made at and as of such time.

**5. Covenants**

(a) Covenants of DCP.

DCP covenants and agrees with Venzee that from the date hereof to the earlier of: (x) the Closing Date; and (y) the date of termination of this Agreement, as applicable, it will:

(i) promptly advise Venzee orally and, if then requested, in writing, with the full particulars of any:

(A) event occurring subsequent to the date of this Agreement that would render any representation or warranty of DCP contained in this Agreement (except any such representation or warranty which speaks as of a date prior to the date of this Agreement), if made on or as of the date of such event or the Closing Date, untrue or inaccurate in any material respect; and

(B) breach by DCP of any covenant or agreement contained in this Agreement;

(ii) perform all obligations required or desirable to be performed by it under this Agreement and shall do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in this Agreement; and

(iii) use commercially reasonable efforts to satisfy all of the conditions precedent set forth in Section 6(a) and 6(c) of this Agreement.

(b) Covenants of Venzee.

Venzee covenants and agrees with DCP that from the date hereof to the earlier of: (x) the Closing Date; and (y) the date of termination of this Agreement, as applicable, it will:

(i) promptly advise DCP orally and, if then requested, in writing, with the full particulars of any:

(A) event occurring subsequent to the date of this Agreement that would render any representation or warranty of Venzee contained in this Agreement (except any such representation or warranty which speaks as of a date prior to the date of this Agreement), if made on or as of the date of such event or the Closing Date, untrue or inaccurate in any material respect; and

(B) breach by Venzee of any covenant or agreement contained in this Agreement;

(ii) perform all obligations required or desirable to be performed by it under this Agreement and shall do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in this Agreement; and without limiting the generality of the foregoing; and

(iii) use commercially reasonable efforts to satisfy all of the conditions precedent set forth in Section 6(a) and 6(b) of this Agreement.

## 6. Conditions Precedent

(a) Mutual Conditions Precedent.

The obligations of the Parties to complete the transactions contemplated by this Agreement are subject to the fulfillment, on or before the Closing Date, of each of the following conditions precedent, each of which may only be waived with the mutual consent of the Parties:

(i) no Governmental Authority shall have enacted, issued or promulgated any Law which has the effect of: (i) making any of the transactions contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing or restraining the consummation of any of the transactions contemplated by this Agreement;

(ii) Venzee shall have received all requisite approvals required by applicable Laws, including the policies of the TSXV, complete the transactions contemplated by this Agreement, including with respect to the issuance of Consideration Shares and listing of same on the TSXV, if applicable;

(iii) this Agreement shall not have been terminated in accordance with its terms.

(b) Additional Conditions to the Obligations of DCP.

The obligations of DCP to complete the transactions contemplated by this Agreement shall also be subject to the satisfaction, on or before the Closing Date, of each of the following conditions precedent (each of which is for the exclusive benefit of DCP and may only be waived by DCP):

(i) each of the representations and warranties of Venzee set out herein will be true and correct in all respects (in the case of any representation or warranty qualified by materiality, Material Adverse Effect or other similar qualification contained in or otherwise applicable to such representation or warranty) or in all material respects (in the case of any representation or warranty not qualified by materiality, Material Adverse Effect or other similar qualification contained in or otherwise applicable to such representation or warranty) at the Closing Time and with the same force and effect as if made at and as of the Closing Time, except to the extent that any such representation and warranty relates solely to an earlier date or time, in which case such representation and warranty will be true and correct as of such earlier date or time, and Venzee certifying same in a certificate signed as part of the closing procedure; and

(ii) all of the covenants and obligations of Venzee to be performed or observed on or before the Closing Date pursuant to this Agreement having been duly performed or observed, and Venzee certifying same in a certificate signed as part of the closing.

(c) Additional Conditions to the Obligations of Venzee.

The obligations of Venzee to complete the transactions contemplated by this Agreement shall also be subject to the satisfaction, on or before the Closing Date, of each of the following conditions precedent (each of which is for the exclusive benefit of Venzee and may only be waived by Venzee):

(i) each of the representations and warranties of DCP set out herein will be true and correct in all material respects at the Closing Time and with the same force and effect as if made at and as of the Closing Time, except to the extent that any such representation and warranty relates solely to an earlier date or time, in which case such representation and warranty will be true and correct as of such earlier date or time, and DCP certifying same in a certificate signed as part of the closing procedure; and

(ii) all of the covenants and obligations of DCP to be performed or observed on or before the Closing Date pursuant to this Agreement having been duly

performed or observed, and DCP certifying same in a certificate signed as part of the closing procedure.

## 7. Venzee Responsibilities

(a) General.

Venzee shall be responsible and liable for all uses of the Software and Documentation resulting from access provided by Venzee, directly or indirectly, whether such access or use is permitted by or in violation of this Agreement. Without limiting the generality of the foregoing, Venzee is responsible for all acts and omissions of Authorized Users, and any act or omission by an Authorized User that would constitute a breach of this Agreement if taken by Venzee will be deemed a breach of this Agreement by Venzee. Venzee shall take reasonable efforts to make all Authorized Users aware of this Agreement's provisions as applicable to such Authorized User's use of the Software and Documentation and shall cause Authorized Users to comply with such provisions.

(b) Third-Party Products.

DCP may distribute certain Third-Party Products with the Software. For purposes of this Agreement, such Third-Party Products are subject to their own licence terms and the applicable flow through provisions referred to in the List of Features. If Venzee does not agree to abide by the applicable terms for such Third-Party Product, then Venzee should not install or use such Third-Party Products.

## 8. Support and Maintenance

Venzee acknowledges and agrees that the continued Right of Use in accordance with this Agreement, including to obtain support, maintenance and other services related to the Software, is subject to Venzee entering into a separate agreement with DCP or a Support Provider.

## 9. Confidential Information, Privacy and Security

(a) Definition.

In connection with this Agreement, each Party (as the "**Disclosing Party**") may disclose or make available to the other Party (as the "**Receiving Party**") Confidential Information. Subject to Section 9(b), "**Confidential Information**" means information in any form or medium (whether oral, written, electronic, or other) that: (a) if disclosed in writing or other tangible form or medium, is marked "**confidential**" or "**proprietary**"; (b) if disclosed orally or in other intangible form or medium, is identified by the Disclosing Party or its Representative as confidential or proprietary when disclosed and summarized and marked "**confidential**" or "**proprietary**" in writing by the Disclosing Party or its Representative; or (c) due to the nature of its subject matter or the circumstances surrounding its disclosure, would reasonably be understood to be confidential or proprietary. Without limiting the foregoing the Software and Documentation are the Confidential Information of DCP.

(b) Exclusions and Exceptions.

Confidential Information does not include information that the Receiving Party can demonstrate by written or other documentary records: (i) was rightfully known to the Receiving Party without restriction on use or disclosure before such information's being disclosed or made available to the Receiving Party in connection with this Agreement; (ii) was or becomes generally known by the public other than by the Receiving Party's or any of its Representatives' non-compliance with this Agreement; (iii) was or is received by the Receiving Party on a non-confidential basis from a third party that, to the Receiving Party's Knowledge, was not or is not, at the time of such receipt, under any obligation to maintain its confidentiality; (iv) the Receiving Party can demonstrate by written or other documentary records was or is independently developed by the Receiving Party without reference to or use of any Confidential Information; or (v) the Receiving Party is required to disclose pursuant to any applicable Canadian securities Laws or the rules of the TSXV.

(c) Protection of Confidential Information.

As a condition to being provided with any disclosure of or access to Confidential Information, the Receiving Party shall:

(i) not access or use Confidential Information other than as necessary to exercise its rights or perform its obligations under and in accordance with this Agreement;

(ii) except as may be permitted under the terms and conditions of Section 9(d), not disclose or permit access to Confidential Information other than to its Representatives who: (i) need to know such Confidential Information for purposes of the Receiving Party's exercise of its rights or performance of its obligations under and in accordance with this Agreement; (ii) have been informed of the confidential nature of the Confidential Information and the Receiving Party's obligations under this Section 9; and (iii) are bound by written confidentiality and restricted use obligations at least as protective of the Confidential Information as the terms set forth in this Section 9;

(iii) safeguard the Confidential Information from unauthorized use, access, or disclosure using at least the degree of care it uses to protect its most sensitive information and, in no event, less than a reasonable degree of care;

(iv) promptly notify the Disclosing Party of any unauthorized use or disclosure of Confidential Information and use its best efforts to prevent further unauthorized use or disclosure; and

(v) ensure its Representatives' compliance with, and be responsible and liable for any of its Representatives' non-compliance with, the terms of this Section 9.

Notwithstanding any other provisions of this Agreement, the Receiving Party's obligations under this Section 9 with respect to any Confidential Information that

constitutes a trade secret under any applicable Laws will continue until such time, if ever, as such Confidential Information ceases to qualify for trade secret protection under one or more such applicable Laws other than as a result of any act or omission of the Receiving Party or any of its Representatives.

(d) Compelled Disclosures.

If the Receiving Party or any of its Representatives is compelled by applicable Laws to disclose any Confidential Information, then, to the extent permitted by applicable Laws, the Receiving Party shall: (a) promptly, and before such disclosure, notify the Disclosing Party in writing of such requirement so that the Disclosing Party can seek an injunction, protective order, or other remedy or waive its rights under Section 9(c); and (b) provide reasonable assistance to the Disclosing Party, at the Disclosing Party's sole cost and expense, in opposing such disclosure or seeking an injunction, protective order, or other limitations on disclosure. If the Disclosing Party waives compliance or, after providing the notice and assistance required under this Section 9(d), the Receiving Party remains required by law to disclose any Confidential Information, the Receiving Party shall disclose only that portion of the Confidential Information that, on the advice of the Receiving Party's outside legal counsel, the Receiving Party is legally required to disclose and, on the Disclosing Party's request, shall use commercially reasonable efforts to obtain assurances from the applicable court or other competent authority that such Confidential Information will be afforded confidential treatment.

(e) Security.

In addition to Venzee's other obligations under this Agreement, Venzee will implement, maintain, enforce, review, and update internal security and back-up procedures sufficient to ensure compliance by Venzee with applicable Laws and policies of DCP and to protect all Confidential Information and other information, including Personal Information for which Venzee is responsible hereunder. Venzee's security procedures shall include risk assessment and controls for

(1) system access,

(2) system and application development and maintenance,

(3) change management,

(4) asset classification and control,

(5) incident response, physical and environmental security,

(6) disaster recovery/business continuity, and

(7) employee training.

(f) Privacy.

In addition to the confidentiality obligations hereunder, in the event that, Venzee receives, observes or otherwise comes into possession of Personal Information (whether such Personal Information belongs to DCP, third-party licensors of DCP including but not limited to end-user licensees or any other party), including without limitation, the General Data Protection Regulation (GDPR) (EU) 2016/679, the

Personal Information Protection and Electronic Documents Canada (PIPEDA) in Canada, and any other applicable data protection and/or data privacy laws, Venzee shall fully comply with such laws, including without limitation, maintaining the confidentiality of any protected information. Venzee will:

(i) not use such Personal Information other than as necessary to perform its obligations under this Agreement or the EULAs;

(ii) not disclose such Personal Information to any third party, unless otherwise permitted in writing;

(iv) ensure that persons authorized to Process Personal Information, including without limitation Authorized Users, have committed themselves to confidentiality and protection of Personal Information or are under appropriate statutory obligation to do so;

(iii) take all measures required in accordance with good industry practice and applicable laws, including implementing and maintaining appropriate technical and organizational measures to protect Confidential Information and Personal Information against unlawful destruction, loss, alteration, access, or unauthorized disclosure;

(iv) immediately inform DCP if, in its opinion, it is involved in an actual, potential or threatened security incident or data breach with respect to Confidential Information and/or Personal Information or if Venzee is in violation or breach of applicable data protection and/or data privacy laws; and

(v) assist and cooperate with DCP in ensuring DCP's compliance with its obligations of protecting Personal Information and Confidential Information under applicable Laws.

**10. Intellectual Property Ownership; Feedback.**

(a) Pre-existing Materials.

Either Party and/or its licensors are, and shall remain, the sole and exclusive owners of all right, title, and interest in and to their respective Pre-existing Materials.

(b) Third-Party Products Ownership.

Venzee acknowledges that with respect to Third-Party Products, the applicable third-party licensors own all right, title, and interest, including all Intellectual Property Rights, in and to the Third-Party Products.

(c) Feedback.

If Venzee or any of its employees or contractors sends or transmits any communications or materials to DCP by mail, email, telephone, or otherwise, suggesting or recommending changes to the Software or Documentation, including without limitation, new features or functionality relating thereto, or any

comments, questions, suggestions, or the like ("**Feedback**"), DCP is free to use such Feedback irrespective of any other obligation or limitation between the Parties governing such Feedback. Venzee hereby assigns on its behalf, and on behalf of its employees, contractors and/or agents, all right, title, and interest in, and DCP is free to use, without any attribution or compensation to any party, any ideas, know-how, concepts, techniques, or other Intellectual Property Rights contained in the Feedback, for any purpose whatsoever, although DCP is not required to use any Feedback.

(d) Venzee Licence.

Venzee hereby grants DCP a royalty-free, non-exclusive, revocable licence for the Term to (1) use Venzee Intellectual Property Rights, including Pre-existing Materials, solely for the purpose of fulfilling DCP's obligations under the List of Features; and (2) sublicence the rights referred to in this section to DCP's third-party licensors, if and as DCP deems appropriate, solely to the extent necessary to enable such DCP's licensors to fulfill their obligations under the List of Features.

The Parties shall not engage in any joint development of Intellectual Property Rights under this Agreement except as the Parties may separately agree, in writing.

## 11. Limited Warranties, Warranty Disclaimer and Cumulative Remedies

(a) DCP represents and warrants that: (i) the Software will perform materially as described in the specifications in the Documentation for a period of six (6) months following the Closing Time or the date on which Venzee delivers the Software, whichever is earlier; and (ii) at the time of delivery, the Software does not contain any virus or other malicious code that would cause the Software to become inoperable or incapable of being used in accordance with the Documentation. THE FOREGOING WARRANTIES DO NOT APPLY, AND DCP STRICTLY DISCLAIMS ALL WARRANTIES, WITH RESPECT TO ANY THIRD-PARTY PRODUCTS.

(b) The warranties set forth in Section 11(a) do not apply and become null and void if Venzee, any Authorized User or any other person provided access to the Software by Venzee or any Authorized User (i) breaches any provision of this Agreement, or (ii) whether or not in violation of this Agreement, installs or uses the Software on or in connection with any hardware or software not specified in the Documentation or expressly authorized by DCP in writing; (iii) modifies or damages the Software; or (iv) misuses the Software, including any use of the Software other than as specified in the Documentation or expressly authorized by DCP in writing.

(c) If, during the period specified in Section 11(a), any Software fails to comply with the warranty in Section 11(a), and such failure is not excluded from warranty pursuant to Section 11(b), DCP shall, subject to Venzee promptly notifying DCP in writing of such failure, at its sole option, either: (i) repair or replace the Software, provided that Venzee provides DCP with all information DCP reasonably requests to resolve the reported failure, including sufficient information to enable DCP to recreate such failure. If DCP repairs or replaces the Software, the warranty will continue to run from the Closing Date and not from Venzee's receipt of the repair

or replacement. The remedies set forth in this Section 11(c) are Venzee's sole remedies and DCP's sole liability under the limited warranty set forth in Section 11(a).

(d) EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN SECTION 11(a), THE SOFTWARE AND DOCUMENTATION ARE PROVIDED "**AS IS**" AND DCP HEREBY DISCLAIMS ALL CONDITIONS AND WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. DCP SPECIFICALLY DISCLAIMS ALL IMPLIED CONDITIONS AND WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND ALL CONDITIONS AND WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN SECTION 11(a), DCP MAKES NO CONDITION OR WARRANTY OF ANY KIND THAT THE SOFTWARE AND DOCUMENTATION, OR ANY PRODUCTS OR RESULTS OF THE USE THEREOF, WILL MEET VENZEE'S OR ANY OTHER PERSON'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM OR OTHER SERVICES, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR FREE.

(e) The application of the United Nations Convention on Contracts for the International Sale of Goods and any local implementing legislation related to the *United Nations Convention on Contracts for the International Sale of Goods* is expressly excluded from this Agreement.

(f) No single or partial exercise by a party of any right or remedy procedures or otherwise affects the exercise of any other right or remedy to which that party may be entitled.

## 12. Indemnification

(a) DCP Indemnification.

(i) DCP shall indemnify, defend, and hold harmless Venzee from and against any and all losses, damages, liabilities, and costs (including reasonable legal fees) ("**Losses**") incurred by Venzee resulting from any third-party claim, suit, action, or proceeding ("**Third-Party Claim**") that the Software or Documentation, or any use of the Software or Documentation in accordance with this Agreement, infringes or misappropriates such third party's Canadian Intellectual Property Rights, provided that Venzee promptly notifies DCP in writing of the claim, cooperates with DCP, and allows DCP sole authority to control the defense and settlement of such claim.

(ii) If such a claim is made or appears possible, Venzee agrees to permit DCP, at DCP's sole discretion, to (A) modify or replace the Software or Documentation, or component or part thereof, to make it non-infringing, or (B) obtain the right for Venzee to continue use. If DCP determines that none of these alternatives is reasonably available, DCP may terminate this

Agreement, in its entirety or with respect to the affected component or part, effective immediately on written notice to Venzee.

(iii) This Section 12(a) will not apply to the extent that the alleged infringement arises from: (i) use of the Software in combination with data, software, hardware, equipment, or technology not provided by DCP or authorized by DCP in writing; (ii) modifications to the Software not made by DCP; (iii) use of any version other than the most current version of the Software or Documentation delivered to Venzee; or (iv) Third-Party Products.

(b) Venzee Indemnification.

Venzee shall indemnify, hold harmless, and, at DCP's option, defend DCP from and against any Losses resulting from any Third-Party Claim based on Venzee's, or any Authorized User's: (i) negligence or wilful misconduct; or (ii) use of the Software or Documentation in a manner not authorized or contemplated by this Agreement; (iii) use of the Software in combination with data, software, hardware, equipment, or technology not provided by DCP or authorized by DCP in writing; (iv) modifications to the Software not made by DCP; or (v) use of any version other than the most current version of the Software or Documentation delivered to Venzee, provided that Venzee may not settle any Third-Party Claim against DCP unless such settlement completely and forever releases DCP from all liability with respect to such Third-Party Claim or unless DCP consents to such settlement, and further provided that DCP will have the right, at its option, to defend itself against any such Third-Party Claim or to participate in the defense thereof by counsel of its own choice.

(c) Sole Remedy.

THIS SECTION 12 SETS FORTH VENZEE'S SOLE REMEDIES AND DCP'S SOLE LIABILITY AND OBLIGATION FOR ANY ACTUAL, THREATENED, OR ALLEGED CLAIMS THAT THE SOFTWARE OR DOCUMENTATION INFRINGES, MISAPPROPRIATES, OR OTHERWISE VIOLATES ANY INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY.

## 13. LIMITATIONS OF LIABILITY

EXCEPT AS EXPRESSLY OTHERWISE PROVIDED IN THIS SECTION13, IN NO EVENT WILL DCP BE LIABLE UNDER OR IN CONNECTION WITH THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY: (a) CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, AGGRAVATED, PUNITIVE, OR EXEMPLARY DAMAGES; (b) INCREASED COSTS, DIMINUTION IN VALUE OR LOST BUSINESS, PRODUCTION, REVENUES, OR PROFITS; (c) LOSS OF GOODWILL OR REPUTATION; (d) USE, INABILITY TO USE, LOSS, INTERRUPTION, DELAY OR RECOVERY OF ANY DATA, OR BREACH OF DATA OR SYSTEM SECURITY; OR (e) COST OF REPLACEMENT GOODS OR SERVICES, IN EACH CASE REGARDLESS OF WHETHER VENZEE WAS ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE. EXCEPT AS EXPRESSLY OTHERWISE PROVIDED IN THIS SECTION13, IN NO EVENT WILL DCP'S

AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE EXCEED THE TOTAL AMOUNTS PAID TO DCP UNDER THIS AGREEMENT IN THE 12-MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM.

**14. Term and Termination**

(a) Term.

This Agreement shall be effective from the date hereof and shall remain in effect until the earlier to occur of: (i) termination of this Agreement in accordance with its terms; or (ii) the termination of the Right of Use.

(b) Termination.

(i) This Agreement may be terminated at any time prior to the Closing Time:

(A) by mutual written agreement of DCP and Venzee;

(B) by either DCP and Venzee if:

(I) the Closing Time shall not have occurred on or before the Outside Date, except that the right to terminate this Agreement under this 14(b)(i)(B)(I) shall not be available to any Party whose failure to fulfill any of its obligations or breach of any of its representations and warranties under this Agreement has been the cause of, or resulted in, the failure of the Closing Time to occur by such Outside Date; or

(II) the requisite approvals for the transactions contemplated in this Agreement as required by applicable Laws, including the policies of the TSXV, shall not have been obtained;

(C) by DCP if:

(I) any of the conditions set forth in Section 6(a) or Section 6(b) are not satisfied, and such condition is incapable of being satisfied by the Outside Date; provided that DCP is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 6(a) or Section 6(b) not to be satisfied; or:

(II) Venzee shall not have performed any covenant to be performed by it under this Agreement or if any representation or warranty of Venzee (without giving

effect to any materiality qualifiers contained therein) shall have been or become untrue to the extent that the failure of such representation or warranty to be true and correct shall have a Material Adverse Effect.

(D) by Venzee if DCP shall not have performed any covenant to be performed by it under this Agreement or if any representation or warranty of DCP shall have been or become untrue to the extent that the failure to perform such covenant, or failure of such representation or warranty to be true and correct shall prevent or materially delay the ability of DCP to consummate the transactions contemplated by this Agreement.

(ii) The Party desiring to terminate this Agreement pursuant to this Section 14(b) (other than pursuant to Section 14(b)(i)(A)) shall give notice of such termination to the other Parties, specifying in reasonable detail the basis for such Party's exercise of its termination right.

If this Agreement is terminated in accordance with the foregoing provisions of this Section 14(b), this Agreement shall become void and be of no further force or effect without liability of any Party (or any shareholder, director, officer, employee, agent, consultant or representative of such Party) to any other Party hereto, provided that neither the termination of this Agreement nor anything contained in this Section 14(b) shall relieve any Party from any liabilities or damages arising out of its breach of any provision of this Agreement.

(c) Term of Right of Use.

The Right of Use shall commence on the Closing Date and, unless terminated earlier pursuant to any of this Agreement's express provisions, will continue in effect indefinitely (the "**Term**").

(d) Termination of Right of Use.

In addition to any other express termination right set forth in this Agreement:

(i) DCP may terminate the Right of Use, effective on written notice to Venzee, if Venzee: (A) fails to pay any amount when due hereunder, and such failure continues more than 30 days after DCP's delivery of written notice thereof; or (B) breaches any of its obligations under Section 2 or Section 9;

(ii) either Party may terminate the Right of Use, effective on written notice to the other Party, if the other Party breaches this Agreement (in the case of Venzee, including a breach by any of end-user licensees who are provided access to the Software and/or Documentation by or on behalf of Venzee), and such breach: (A) is incapable of cure; or (B) being capable of cure, remains uncured 30 days after the non-breaching Party provides the breaching Party with written notice of such breach; or

(iii) DCP may terminate the Right of Use, effective immediately upon written notice to Venzee, if Venzee: (A) becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due; (B) files or has filed against it, a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law; (C) makes or seeks to make a general assignment for the benefit of its creditors; or (D) applies for or has appointed a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business ((A), (B), (C) and (D) collectively called, "**Bankruptcy Event**").

(e) Effect of Expiration or Termination of Right of Use.

Upon termination of the Right of Use, without limiting Venzee's obligations under Section 9, Venzee shall cease using and delete, destroy, or return all copies of the Software and Documentation and certify in writing to DCP that the Software and Documentation has been deleted or destroyed. No termination will entitle Venzee to any refund of the Software Fees.

(f) Survival.

This Section 14(f) and Section 1 (Definitions), Section 3 (Software Fee), Section 9 (Confidential Information), Section 10 (Intellectual Property Ownership), Section 11(d), Section 12 (Indemnification), Section 13 (Limitations of Liability), and Section 15 (Miscellaneous) survive any termination or expiration of this Agreement. No other provisions of this Agreement survive the expiration or earlier termination of this Agreement.

(g) Exclusivity.

Venzee agrees not to procure, licence, or use any software that is similar to the Software in its functionality or utility from any other party during the Term of this Agreement, unless otherwise agreed upon in writing by the Parties.

## 15. Miscellaneous

(a) Entire Agreement.

This Agreement, together with any other documents incorporated herein by reference and all related Exhibits, constitutes the sole and entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings, agreements, and representations and warranties, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements made in the body of this Agreement, the related Exhibits, and any other documents incorporated herein by reference, the following order of precedence governs: (a) first, this Agreement, excluding its Exhibits; (b) second, the Exhibits to this Agreement as of the Closing Date; and (c) third, any other documents incorporated herein by reference.

(b) Notices.

All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "**Notice**") must be in writing and addressed to the Parties at the addresses set forth on the first page of this Agreement (or to such other address that may be designated by the Party giving Notice from time to time in accordance with this Section). All Notices must be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), email or certified or registered mail (in each case, return receipt requested, postage pre-paid). Except as otherwise provided in this Agreement, a Notice is effective only: (i) upon receipt by the receiving Party; and (ii) if the Party giving the Notice has complied with the requirements of this Section.

(c) Force Majeure.

In no event shall either Party be liable to the other Party, or be deemed to have breached this Agreement, for any failure or delay in performing its obligations under this Agreement, (except for any obligations to make payments), if and to the extent such failure or delay is caused by any circumstances beyond such Party's reasonable control, including but not limited to acts of god, flood, fire, earthquake, explosion or other casualty, natural disaster, accident, war or other violence or other similar events outside the control of any Party, but excluding labour strikes and lockouts, and events that result from either Party's negligence, fault or intentional wrongdoing.

(d) Amendments and Modifications.

No amendment to or modification of this Agreement is effective unless it is in writing and signed by an authorized representative of each Party.

(e) Waiver.

No waiver by any Party of any of the provisions hereof will be effective unless explicitly set forth in writing and signed by the Party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this Agreement will operate or be construed as a waiver thereof; nor will any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

(f) Severability.

If any provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

(g) Governing Law.

This Agreement and all exhibits and schedules attached hereto and all matters arising out of or relating to this Agreement are governed by and construed in

accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein without giving effect to any choice or conflict of law provision or rule.

(h) Choice of Forum.

Any legal suit, action, litigation, or proceeding of any kind whatsoever in any way arising out of, from or relating to this Agreement, including all statements of work, exhibits, schedules, attachments, and appendices attached to this Agreement, the services provided hereunder, and all contemplated transactions, shall be instituted in the courts of the Province of Alberta, and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, litigation, or proceeding. Service of process, summons, notice, or other document by mail to such Party's address set forth herein shall be effective service of process for any suit, action, litigation, or other proceeding brought in any such court. Each Party agrees that a final judgment in any such suit, action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The Parties irrevocably and unconditionally waive any objection to the venue of any action or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

(i) Assignment.

Venzee may not assign or transfer any of its rights or delegate any of its obligations hereunder, in each case whether voluntarily, involuntarily, by operation of law or otherwise, without the prior written consent of DCP, which consent shall not be unreasonably withheld, conditioned, or delayed. Any purported assignment, transfer, or delegation in violation of this Section is null and void. No assignment, transfer, or delegation will relieve the assigning or delegating party of any of its obligations hereunder. This Agreement is binding upon and inures to the benefit of the Parties hereto and their respective permitted successors and assigns.

(j) Export Regulation.

Venzee shall not itself, or permit any other person to export, re-export, or release, directly or indirectly, the Software to, or make the Software accessible from, any jurisdiction or country to which the export, re-export, or release is prohibited by applicable Laws or without first completing all required undertakings (including obtaining any necessary export licence or other approval by a Governmental Authority).

(k) Equitable Relief.

Each Party acknowledges and agrees that a breach of this Agreement may cause the other Party irreparable harm for which monetary damages would not be an adequate remedy and agrees that, in the event of such breach, the other Party will be entitled to equitable relief, including a restraining order, an injunction, specific performance, and any other relief that may be available from any court, without any requirement to post a bond or other security, or to prove actual damages or

that monetary damages are not an adequate remedy. Such remedies are not exclusive and are in addition to all other remedies that may be available at law, in equity, or otherwise.

(l) Time of Essence.

Time is of the essence in respect of this Agreement.

(m) Counterparts.

This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement as of the 14th day of May, 2024.

**Digital Commerce Payments Inc.**

By: _____
Jeff Smith, CEO

**Venzee Technologies Inc.**

By: _____
Peter Montross, CEO

**SCHEDULE "A"**
**LIST OF FEATURES**

Capitalized terms used but not defined in this List of Features have the meaning given to those terms in the Agreement.

1. DESCRIPTION OF SOFTWARE: The PIM (Product Information Management Solution) will be capable of managing unlimited items in numerous currencies, through various business models and capable of automatically distributing content between various ERP software solutions and marketplaces. The minimum feature set will be operated by DCP's third-party licensor and demonstrated by DCP:

The PIM will retrieve product, price, and stock data from within a clients' ERP system and/or other data sources, organize such data within the PIM, syndicate such data to designated marketplaces, and synchronize orders originating from the marketplaces, back with the ERP software or other data source. The PIM system will focus on the retrieval, organization, and syndication of product, inventory, order, and pricing information. Integrations required by clients outside of the PIM system will require further development.

Clients will be able to add product data to the system via ERP integration, Rest API Integration, adding product information manually via the user interface, and Excel and XML bulk uploads. DCP will provide a single XML and Excel template that must be used for importing product data via XML or Excel.

The PIM solution will contain two applications. One application will be a Backoffice for managing clients. The second application will be a data organization and mapping application in which clients can log in and organize & map the products and the attributes through connectors from their ERP system or other integration or process with a marketplace connector.

The PIM solution will provide the following functionality:

- Provides a secure multi-tenant system that will not allow any client to access another client's information.
- Provides multi-level role-based security for back-office users and client users.
- Provides multiple ways for a client to upload data and mapping the product data to key marketplaces.
    - Clients' ERP software – defined integration
    - Manual product data entry from user interface
    - Bulk data upload (XML or Excel file) from user interface
- Allows clients to map and distribute product data information in unique ways to different marketplaces according to the marketplace specification.
- Provides single user experience for clients to distribute their products to selected marketplaces, sell their products to different marketplaces, monitor product movement status, inventory status, and return process.

- Provides reporting to clients for product data, movement of the data, product data in marketplaces, error logs.
- Provides flexible product upload and update scheduler job structure for clients to manage their own settings for marketplaces and ERP systems.
- Provides fee and pricing management capability for Clients and DCP
- Provides client setup, activate, and deactivate functionality.

The PIM solution will include the following screens:

- Homepage – Dashboard
    - Dashboard – Products
    - Dashboard - Orders
- Quick Menu
- Orders
- All Orders
- Products and Categories
- Add New Product
- Product List
- Product
- Marketplaces
- Category data mapping
- Packages
- Category List
- Import
- Batch Upload Excel
- Batch Image Upload
- XML Definition page
- Report / Statistics
- Order Reports

- Integrations
- Application and Settings
- Settings
- General Settings
- Product Settings
- Shipment Settings

**Backoffice Application**

- Integration Setting Panel (ERP and Marketplaces)
- Integration Summary
- Active Services
- Active Cron Periods
- Service Statuses
- All Products listed in All Integration
- Product Reports
- Added Products
- Website Info (e-shop only)
- Product Logs (e-shop)
- Order Logs (e-shop)
- Queue View (e-shop)
- Job Logs (ERP)
- Marketplace Integration General Settings
- Inventory
- Product Information Update
- Marketplace Category Config (Catalog Config)
- Marketplace Mapping Specs
- Marketplace Brand Config

- Marketplace Cargo Price Config
- Marketplace Service Price Config
- Product Logs (Marketplace)
- Queue View (Marketplace)
- Job Logs (Marketplace)

**Admin Backoffice**

- Client Setup
- Client Onboarding
- New Integration Setup (Marketplace or ERP)
- Client and Client Level Integration (Activate-Inactivate)

# Venzee Technologies Inc.

## Balance Sheet

**as at December 31, 2023** **Schedule 1.1**

**stated in United States dollars**

| | | Management Prepared Compiled Only 12/31/2023 | Common Sized |
|---|---|---|---|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash | $ | 50,239 | 82.7% |
| Trade and other receivables | $ | 1,525 | 2.5% |
| Prepaid expenses and other assets | $ | 8,997 | 14.8% |
| | $ | 60,761 | 100.0% |
| OTHER ASSETS | | | |
| Due from related parties | $ | - | 0.0% |
| Other | $ | - | 0.0% |
| | $ | - | 0.0% |
| Total Assets | $ | 60,761 | 100.0% |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Accounts payable and accrued liabilities | $ | 276,538 | 455.1% |
| Loans payable | $ | 237,379 | 390.7% |
| | $ | 513,917 | 845.8% |
| OTHER LIABILITIES | | | |
| Convertible debentures | $ | 516,932 | 850.8% |
| Derivative liabilities | $ | 106,414 | 175.1% |
| | $ | 623,346 | 1025.9% |
| Total Liabilities | $ | 1,137,263 | 1871.7% |
| SHAREHOLDERS' EOUITY | | | |
| Share capital | $ | 19,496,810 | 32087.7% |
| Reserves | $ | 3,127,698 | 5147.5% |
| Accumulated and ccomprehesnive income | $ | 6,036 | 9.9% |
| Retained earnings / (deficit) | $ | (23,707,046) | -39016.9% |
| Total shareholder's equity | $ | (1,076,502) | -1771.7% |
| Total Liabilities and Shareholders Equity | $ | 60,761 | 100.0% |
| Net working capital | $ | (266,016) | |
| Working capital | $ | (453,156) | |

# Venzee Technologies Inc.

## Income Statement

**as at December 31, 2023** **Schedule 1.2**

**stated in United States dollars**

| | | Management Prepared Compiled Only 9 months ended 12/31/2023 |
|---|---|---|
| **Revenues** | | |
| Sales | $ | 29,888 |
| Other revenue | $ | - |
| | $ | 29,888 |
| **Cost of Revenues** | | |
| Direct costs | $ | 24,768 |
| | $ | 24,768 |
| Gross Margin | $ | 5,120 |
| **Operating Expenses** | $ | 1,586,615 |
| **Operating Income (loss) before income taxes** | $ | (1,581,495) |
| Translation adjustment | $ | 1,049 |
| Other | $ | - |
| | $ | 1,049 |
| Total loss and comprehensive loss for the period | $ | (1,580,446) |

# Venzee Technologies Inc.

## Allocation of Adjusted Net Assets

**Schedule 2.1**

**Effective Date of the Valuation: December 31, 2023**

**stated in United States dollars**

| | Net Book Value as at 12/31/2023 Compiled Only | Fair Value Adjustment | Tangible Asset Backing | Allocation of Adjusted Net Assets: Redundant Net Assets | Financing Liabilities | Operating Net Assets |
|---|---|---|---|---|---|---|
| ASSETS | | | | | | |
| CURRENT ASSETS | | | | | | |
| Cash | $ 50,239 | $ - | $ 50,239 | $ - | $ - | $ 50,239 |
| Trade and other receivables | $ 1,525 | $ - | $ 1,525 | $ - | $ - | $ 1,525 |
| Prepaid expenses and other assets | $ 8,997 | $ - | $ 8,997 | $ - | $ - | $ 8,997 |
| | $ 60,761 | $ - | $ 60,761 | $ - | $ - | $ 60,761 |
| OTHER ASSETS | | | | | | |
| Due from related parties | $ - | $ - | $ - | $ - | $ - | $ - |
| Other | $ - | $ - | $ - | $ - | $ - | $ - |
| | $ - | $ - | $ - | $ - | $ - | $ - |
| TOTAL ASSETS | $ 60,761 | $ - | $ 60,761 | $ - | $ - | $ 60,761 |
| LIABILITIES | | | | | | |
| CURRENT LIABILITIES | | | | | | |
| Accounts payable and accrued liabilities | $ 276,538 | $ - | $ 276,538 | $ - | $ - | $ 276,538 |
| Loans payable | $ 237,379 | $ - | $ 237,379 | $ - | $ 237,379 | $ - |
| | $ 513,917 | $ - | $ 513,917 | $ - | $ 237,379 | $ 276,538 |
| LONG-TERM LIABILITIES | | | | | | |
| Convertible debentures | $ 516,932 | $ - | $ 516,932 | $ - | $ 516,932 | $ - |
| Derivative liabilities | $ 106,414 | $ - | $ 106,414 | $ - | $ 106,414 | $ - |
| | $ 623,346 | $ - | $ 623,346 | $ - | $ 623,346 | $ - |
| TOTAL LIABILITIES | $ 1,137,263 | $ - | $ 1,137,263 | $ - | $ 860,725 | $ 276,538 |
| NET ASSETS | $ (1,076,502) | $ - | $ (1,076,502) | $ - | $ (860,725) | $ (215,777) |
| Net Working Capital | $ (266,016) | | $ (266,016) | | | $ (266,016) |
| Redundant assets / liabilities | | | | $ - | | |
| Net financing liabilities | | | | | $ (860,725) | |
| Operating net assets | | | | | | $ (215,777) |

# Venzee Technologies Inc.

## Fair Value of the Historical / Existing VENZ Created IP

**Schedule 3.1**

## Cost Method - Replacement Analysis

### Effective Date of the Valuation: December 31, 2023

**stated in United States dollars**

| | | Low | Medium | High |
|---|---|---|---|---|
| 1 | Months to re-Create Existing IP and Systems - 3rd Party | 24 | 30 | 36 |
| 2 | Monthly Salary | $ 101,000 | $ 101,000 | $ 101,000 |
| 3 | Total | $ 2,424,000 | $ 3,030,000 | $ 3,636,000 |
| 4 | | | | |
| 5 | Total Replacement Cost | $ 2,424,000 | $ 3,030,000 | $ 3,636,000 |
| 6 | Less: Taxes | $ 460,560 | $ 575,700 | $ 690,840 |
| 7 | Total | $ 1,963,440 | $ 2,454,300 | $ 2,945,160 |
| 8 | Tax Amortization Benefit | $ 64,935 | $ 81,169 | $ 97,402 |
| 9 | Fair Value, 100%, say | $ 2,028,000 | $ 2,535,000 | $ 3,043,000 |
| 10 | | | | |
| 11 | | | | |
| 12 | CCA Rate | 5.00% | 5.00% | 5.00% |
| 13 | Present Value of Cash Flows | $ 1,963,440 | $ 2,454,300 | $ 2,945,160 |
| 14 | Discount Rate | 35.82% | 35.82% | 35.82% |
| 15 | Canadian / BC Tax Rate | 27.0% | 27.0% | 27.0% |
| 16 | Inclusion Rate | 100.0% | 100.0% | 100.0% |
| 17 | Tax Amortization Benefit | $ 64,935 | $ 81,169 | $ 97,402 |
| 18 | | | | |

| | | | |
|---|---|---|---|
| 19 | Monthly Required Technical Staff per Mgt Requirements | | |
| 20 | Chief Technology Officer | $ | 15,000 |
| 21 | Related Business Experts | $ | 16,000 |
| 22 | Technical Engineers | $ | 30,000 |
| 23 | Programing | $ | 40,000 |
| 24 | | $ | 101,000 |

# ɪzee Technologies Inc.

## usted Book Value

**Schedule 4.1**

**ctive Date of the Valuation: December 31, 2023**

**l in United States dollars**

| | Net Book Value as at 12/31/2023 Compiled Only | Fair Value Adjustment | Adjusted Book Value |
|---|---|---|---|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash | $ 50,239 | $ - | $ 50,239 |
| Trade and other receivables | $ 1,525 | $ - | $ 1,525 |
| Prepaid expenses and other assets | $ 8,997 | $ - | $ 8,997 |
| | $ 60,761 | $ - | $ 60,761 |
| OTHER ASSETS | | | |
| Due from related parties | $ - | $ - | $ - |
| FV of Existing Venzee IP | $ - | $ 2,535,000 | $ 2,535,000 |
| FV - Public Company on TSX-V | $ - | $ 350,000 | $ 350,000 |
| | $ - | $ 2,885,000 | $ 2,885,000 |
| TOTAL ASSETS | $ 60,761 | $ 2,885,000 | $ 2,945,761 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Accounts payable and accrued liabilities | $ 276,538 | $ - | $ 276,538 |
| Loans payable | $ 237,379 | $ - | $ 237,379 |
| | $ 513,917 | $ - | $ 513,917 |
| LONG-TERM LIABILITIES | | | |
| Convertible debentures | $ 516,932 | $ - | $ 516,932 |
| Derivative liabilities | $ 106,414 | $ - | $ 106,414 |
| | $ 623,346 | $ - | $ 623,346 |
| TOTAL LIABILITIES | $ 1,137,263 | $ - | $ 1,137,263 |
| NET ASSETS | $ (1,076,502) | $ 2,885,000 | $ 1,808,498 |
| Adjusted Book Value, say | | | $ 1,810,000 |

Note: VENZ has confirmed that none of the debt owed to Smith / DCP is converted to equity and/or is foregiven Furthermore, VENZ has advised that all DCP debt is included in this Balance Sheet. This is assumed to be true.

# Fair Market Value of 100% of the Equity of Venzee Technologies Inc. Pre-Proposed Transaction

## Average of Valuation Methods

**Schedule 5.1**

### Effective Date of the Valuation: December 31, 2023

**stated in United States dollars**

| | | | Fair Market Value |
|---|---|---|---|
| 1 | Fair Market Value using Book Value | $ | (1,076,502) |
| 2 | Fair Market Value ABV (using Cost Method) | $ | 1,810,000 |
| 3 | Fair Market Value using Historical Transactions | $ | 1,546,582 |
| 4 | Fair Market Value using Market Capitalization less Financing Liabilities | $ | 2,637,179 |
| 5 | Average of the Above Methods | $ | 1,229,315 |
| 6 | Other Adjustments | $ | - |
| 7 | Fair Market Value of 100% of the Equity of Venzee Technologies Inc. Pre Proposed Transaction, say | $ | 1,200,000 |

# Fair Value of the Software Agreement held by VENZ

## Effective Date of the Valuation: December 31, 2023

**Schedule 6.1**

### Normalized Depreciated Replacement Cost

**in United States dollars**

| | | Low | Medium | High |
|---|---|---|---|---|
| 1 | Months to re-Create Existing IP Software and IP - 3rd Party | 36 | 42 | 48 |
| 2 | Monthly Salary | $ 85,000 | $ 85,000 | $ 85,000 |
| 3 | Total | $ 3,060,000 | $ 3,570,000 | $ 4,080,000 |
| 4 | | | | |
| 5 | Total Replacement Cost | $ 3,060,000 | $ 3,570,000 | $ 4,080,000 |
| 6 | Less: Taxes | $ 810,900 | $ 946,050 | $ 1,081,200 |
| 7 | Total | $ 2,249,100 | $ 2,623,950 | $ 2,998,800 |
| 8 | Tax Amortization Benefit | $ 73,005 | $ 85,172 | $ 97,340 |
| 9 | Fair Value, 100%, say | $ 2,320,000 | $ 2,710,000 | $ 3,100,000 |
| 10 | | | | |
| 11 | | | | |
| 12 | CCA Rate | 5.00% | 5.00% | 5.00% |
| 13 | Present Value of Cash Flows | $ 2,249,100 | $ 2,623,950 | $ 2,998,800 |
| 14 | High Discount Rate | 35.82% | 35.82% | 35.82% |
| 15 | Tax Rate | 26.5% | 26.5% | 26.5% |
| 16 | Inclusion Rate | 100.0% | 100.0% | 100.0% |
| 17 | Tax Amortization Benefit | $ 73,005 | $ 85,172 | $ 97,340 |
| 18 | | | | |

| | | | |
|---|---|---|---|
| 19 | Monthly Required Technical Staff per Mgt Requirements | | |
| 20 | Project Mgt / CTO / COO | $ | 20,000 |
| 21 | Technical IT Mgt. | $ | 10,000 |
| 22 | Executive Oversight | $ | 5,000 |
| 23 | Business / Technical Development Experts | $ | 10,000 |
| 24 | Front-end / Back-end Experts | $ | 5,000 |
| 25 | IP Creation / Development | $ | 5,000 |
| 26 | Product Testing and Review | $ | 5,000 |
| 27 | Data modeling compilation | $ | 25,000 |
| 28 | | $ | 85,000 |

# Fair Value of the Software Agreement

## Discounted Cash Flow using Management Forecast

**Schedule 7.1**

**Effective Date of the Valuation: December 31, 2023**

**in United States dollars**

| | | | Discount Rate |
|---|---|---|---|
| | | | 35.8% |

| | | Notes & References | 2024 | 2025 | 2026 | 2027 | 2028 | Terminal Value | |
|---|---|---|---|---|---|---|---|---|---|
| | | | Forecast for the year ending December 31st, | | | | | | |
| | | | 01/01 to 12/31 | 01/01 to 12/31 | 01/01 to 12/31 | 01/01 to 12/31 | 01/01 to 12/31 | | |
| | | | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | | |
| 1 | Revenue | (1) | $ 193,466 | $ 1,099,503 | $ 4,627,952 | $ 8,892,794 | $ 13,651,081 | | |
| 2 | *CAGR* | | | *468.3%* | *28.0%* | *19.0%* | *119.0%* | | |
| 3 | Forecasted EBITDA by Mgt and Adjusted | | $ (419,717) | $ (596,789) | $ 1,361,324 | $ 3,732,645 | $ 6,891,682 | | |
| 5 | | | *-216.9%* | *-54.3%* | *29.4%* | *42.0%* | *50.5%* | | |
| 6 | | | | | | | | | |
| 7 | Income taxes | (4) | $ - | $ - | $ 80,998 | $ 876,798 | $ 1,618,856 | | |
| 8 | Cash flow from operations | | $ (419,717) | $ (596,789) | $ 1,280,326 | $ 2,855,847 | $ 5,272,826 | | |
| 9 | | | | | | | | | |
| 10 | Add (less): Net working capital excess (required) | (5) | $ (275,689) | $ (45,302) | $ (176,422) | $ (213,242) | $ (237,914) | | |
| 11 | Capital expenditures, net of tax shield | (6) | $ (4,714) | $ (26,791) | $ (112,766) | $ (216,684) | $ (332,626) | | |
| 12 | Net cash flow | | $ (700,120) | $ (668,882) | $ 991,138 | $ 2,425,920 | $ 4,702,286 | $ 4,796,331 | (3) |
| 13 | | | | | | | | | |
| 14 | Terminal multiple | (7) | | | | | | 2.96 | x |
| 15 | Terminal value | | | | | | | $ 14,197,140 | |
| 16 | | | | | | | | | |
| 17 | Start date | 1-Jan-24 | 1-Jan-24 | 1-Jan-25 | 1-Jan-26 | 1-Jan-27 | 1-Jan-28 | | |
| 18 | End date | | 31-Dec-24 | 31-Dec-25 | 31-Dec-26 | 31-Dec-27 | 31-Dec-28 | | |
| 19 | Period discounting | | 0.5000 | 1.5000 | 2.5000 | 3.5000 | 4.5000 | | |
| 20 | | | | | | | | | |
| 21 | Present value factor | | 0.860 | 0.630 | 0.470 | 0.340 | 0.250 | 0.250 | |
| 22 | | | | | | | | | |
| 23 | Annual net present value - forecast period | | $ (602,103) | $ (421,395) | $ 465,835 | $ 824,813 | $ 1,175,571 | $ 3,549,285 | |
| 24 | | | | | | | | | |
| 25 | Sum of present value of cash flows, rounded | | $ 4,992,006 | | | | | | |
| 26 | | | | | | | | | |
| 27 | Add: Present value of existing capital tax shield | | $ - | | | | | | |
| 28 | Business Enterprise Value | | $ 4,992,006 | | | | | | |
| 29 | Less: Net Redundant Liabilities Acquired | | $ - | | | | | | |
| 30 | **Total Enterprise Value** | | **$ 4,992,006** | | | | | | |
| 31 | Add: Net financing liabilities (debt and debt equivalents) | | $ - | | | | | | |
| 32 | Less: equity injection / capital required | | $ (1,369,001) | | | | | | |
| 33 | **100% of the Software License** | | **$ 3,620,000** | | | | | | |

Notes:

(1) Revenues and COGs increases per Mgt and averages within historical results

(2) Expenses as Mgt budgeted

(3) The terminal value is estimated based on growth of 2%

(4) Income taxes are estimated based on the reported corporate tax rate 27.00% per stated corporate tax rates

(5) Net Working capital investment based on NWC as % Revenue 5.0% based on Company correspondence and data review

https://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/wcdata.html

| | Forecast for the year ending December 31, | | | | |
|---|---|---|---|---|---|
| | 2024 | 2025 | 2026 | 2027 | 2028 |
| Forecasted revenue, Annual | $ 193,466 | $ 1,099,503 | $ 4,627,952 | $ 8,892,794 | $ 13,651,081 |
| Net working capital as a % of revenue per Mgt | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| Required working capital, end of period | $ 9,673 | $ 54,975 | $ 231,398 | $ 444,640 | $ 682,554 |
| Less: Net working capital, opening balance [*assume VENZ NWC)* | $ 266,016 | $ (9,673) | $ (54,975) | $ (231,398) | $ (444,640) |
| Incremental net working capital excess (required) | $ (275,689) | $ (45,302) | $ (176,422) | $ (213,242) | $ (237,914) |

CAPEX as a percentage of revenues 2.83% https://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/capex.html

| | Forecast for the year ending December 31, | | | | |
|---|---|---|---|---|---|
| (6) Forecasted capital expenditures | 2024 | 2025 | 2026 | 2027 | 2028 |
| Forecasted revenues for the period | $ 193,466 | $ 1,099,503 | $ 4,627,952 | $ 8,892,794 | $ 13,651,081 |
| Multiply: Capital expenditures as % of revenues Updated by Mgt. | 2.83% | 2.83% | 2.83% | 2.83% | 2.83% |
| Capital expenditures | $ 5,475 | $ 31,116 | $ 130,971 | $ 251,666 | $ 386,326 |
| Less: Tax shield on capital expenditures @ 13.9% | $ (761) | $ (4,325) | $ (18,205) | $ (34,982) | $ (53,699) |
| Sustaining capital expenditures, net of tax shield | $ 4,714 | $ 26,791 | $ 112,766 | $ 216,684 | $ 332,626 |

| | |
|---|---|
| Tax Rate | 27.00% |
| **Discount Rate** | **35.8%** |

(7) Calculation of Terminal multiple

| | |
|---|---|
| Rate of return | 35.82% |
| Less: Expected long-term sustainable growth rate | 2.00% |
| Net rate of return in terminal period | 33.82% |
| Terminal capitalization multiple | 2.96 x |

# Venzee Technologies Inc.
## Weighted Average Cost of Capital

**Schedule 7.2**

| | | Low | Mid-Range | High | Note |
|---|---|---|---|---|---|
| **Cost of equity** | | | | | |
| Risk free rate | $R_f$ | 3.50% | 3.50% | 3.50% | 1 |
| Equity risk premium | $RP_m$ | 5.50% | 5.50% | 5.50% | 2 |
| Industry risk premium | $RP_i$ | 1.62% | 1.62% | 1.62% | 3 |
| Size premium | $RP_s$ | 4.70% | 4.70% | 4.70% | 4 |
| Company specific risk reduction | $RP_u$ | 0.00% | 0.00% | 0.00% | 5 |
| Company specific risk premium | $RP_u$ | 18.00% | 20.50% | 23.00% | 5 |
| | $k_e = R_f + RP_m + RP_i + RP_s + RP_u$ | 33.32% | 35.82% | 38.32% | |
| **After-tax cost of debt** | | | | | |
| Pre-tax cost of debt | $k_{d(pt)}$ | 14.00% | 14.00% | 14.00% | 6 |
| 1- Estimated Tax Rate | (1-t) | 73.0% | 73.0% | 73.0% | 7 |
| After-tax cost of debt | $k_d = k_{d(pt)} \times (1 - t)$ | 10.22% | 10.22% | 10.22% | |
| **Capitalization Structure** | | | | | |
| Percentage of Equity | $W_e$ | 100.0% | 100.0% | 100.0% | 8 |
| Percentage of Debt | $W_d$ | 0.0% | 0.0% | 0.0% | 8 |
| **Discount Rate** | | | | | |
| Cost of Equity | | 33.3% | 35.8% | 38.3% | |
| Cost of Debt | | 0.0% | 0.0% | 0.0% | |
| Weighted Average Cost of Capital | $WACC = (k_e \times W_e) + (k_d \times W_d)$ | 33.32% | 35.82% | 38.32% | |

| | | |
|---|---|---|
| Realistic long-term growth rate | 2.0% | 9 |

Notes

1 Kroll (Duff & Phelps) Cost of Capital Navigator - Normalized and Recommended

2 Kroll (Duff & Phelps) Cost of Capital Navigator - Recommended

3 Kroll (Duff & Phelps) Cost of Capital Navigator - 1.15 GICS 45103010 Full Information Beta (Rpi=.82%)
Instead used findings of NYU Stern on Beta of WACC - i.e., 1.62% (Software)
*https://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/Betas.html*

4 Kroll (Duff & Phelps) Cost of Capital Navigator - CRSP Decile 10; Sector: Software & Application et al

5 Assessed risk given growth and stability of business as at the Valuation Date

| | | |
|---|---|---|
| Forecast and New Management Risk | 18.0% | 23.0% |

Considered Pepperdine University Studies of 2022 and 2023 for support of appropriate overall cost of capital discount rates for companies with similar risk profiles
*http://digitalcommons.pepperdine.edu/gsbm_pcm_pcmr/16*
*http://digitalcommons.pepperdine.edu/gsbm_pcm_pcmr/15*

6 Based on Company's overall / CGU debt rates and per mgt and review of rates

7 Tax rates per BC and Canada

8 Optimal Capital Structure as at the Valuation Date
Based inputs from Mgt and Industry optimal capital structure
Also, reviewed ReadyRatios and considered this in light of operations

9 Assumes that company reaches it mature stage at terminal calculation range, otherwise should extend projection period. Assuming that five years is appropriate period, the terminal growth rates typically range between the historical inflation rate 1% - 3% and GDP growth rates of up to 3%.
Terminal growth rate higher than the average GDP indicates Company expects its growth to outperform that of the economy forever
Reasonable long-term growth for this CGU is 2.0%

***DCP/VENZ management have noted to RwE that:***
*The discounted cash flow assumes that the capital ratio is 100% equity. This is not the optimal ratio for any company, including VENZ. DCP has, in the past, paid for the development costs, which has then been reflected as a shareholder loan with interest to the company that is paid through VENZ's cash flow, then moved these cost to VENZ as a shareholder loan. In a year, there is debt serviceability capacity. We need to assume a ratio of at least 30% debt to equity. Furthermore, the terminal value starts in year 5, and a growth rate of 2% is expected. Given that e-commerce and PIM software are expected to be in high-growth phases, please consider a 2-tier approach.*
*The next 10 years should reflect a growth rate of 7% and then terminate at a 2% growth rate.*

RwE is of the view that a firm which such historical financial results could not obtain any debt and hence its debt/equity ratio must be based on historical results as would be the case for a company which such poor financial performance. Guidelines require the valuator to take the view that an outside debt provider would, which we have.
Industry performance ratios can not trump actual company performance.

LT growth rates are explained in Note 9 above. This a standard that must be applied to terminal values as the terminal value is to infinity, and any LT growth rate above GDP is not realistically possible or accepted in valuation practice.

PEPPERDINE PRIVATE CAPITAL MARKETS PROJECT | PRIVATE CAPITAL MARKETS REPORT – 2022

The cost of capital data presented below identifies medians, 25th percentiles (1st quartile), and 75th percentiles (3rd quartile) of annualized gross financing costs for each major capital type and its segments. The data reveal that loans have the lowest average rates while capital obtained from angels has the highest average rates. As the size of loan or investment increases, the cost of borrowing or financing from any of the following sources decreases. *Note: in this report, cells with only a "-" indicate categories where there were not enough survey observations.*

***Table 1. Private Capital Market Required Rates of Return***

| | 1st quartile | Median | 3rd quartile |
|---|---|---|---|
| Bank ($1M loan) | 5.0% | 6.0% | 6.3% |
| Bank ($5M loan) | 4.6% | 5.3% | 5.9% |
| Bank ($10M loan) | 4.1% | 4.8% | 5.0% |
| Bank ($25M loan) | 3.9% | 4.0% | 4.8% |
| Bank ($50M loan) | 3.5% | 4.0% | 4.3% |
| ABL ($1M loan) | 15.5% | 16.0% | 18.5% |
| ABL ($5M loan) | 14.8% | 15.5% | 16.3% |
| ABL ($10M loan) | 4.4% | 8.5% | 15.0% |
| ABL ($25M loan) | 3.5% | 5.0% | 8.0% |
| ABL ($50M loan) | 3.1% | 3.8% | 4.4% |
| Mezz ($1M loan) | 13.0% | 15.0% | 22.5% |
| Mezz ($5M loan) | 12.0% | 14.0% | 18.0% |
| Mezz ($10M loan) | 12.0% | 14.0% | 17.3% |
| Mezz ($25M loan) | 10.8% | 13.0% | 15.0% |
| Mezz ($50M loan) | 8.5% | 10.0% | 11.3% |
| PEG ($1M EBITDA) | 25.0% | 30.0% | 32.3% |
| PEG ($5M EBITDA) | 23.8% | 30.0% | 31.3% |
| PEG ($10M EBITDA) | 22.8% | 25.0% | 30.8% |
| PEG ($25M EBITDA) | 20.0% | 23.5% | 30.0% |
| PEG ($50M EBITDA) | 20.0% | 22.0% | 24.3% |
| VC (Seed) | 37.0% | 43.0% | 48.0% |
| VC (Startup) | 33.0% | 40.0% | 47.0% |
| VC (Early Stage) | 33.0% | 40.0% | 44.0% |

| | | | |
|---|---|---|---|
| VC (Expansion) | 29.0% | 35.0% | 43.0% |
| VC (Later Stage) | 28.0% | 30.0% | 37.0% |
| Angel (Seed) | 32.0% | 43.0% | 60.0% |
| Angel (Startup) | 32.0% | 40.0% | 58.0% |
| Angel (Early Stage) | 28.0% | 38.0% | 53.0% |
| Angel (Expansion) | 28.0% | 38.0% | 53.0% |
| Angel (Later Stage) | 28.0% | 33.0% | 43.0% |



The cost of capital data presented below identifies medians, 25th percentiles (1st quartile), and 75th percentiles (3rd quartile) of annualized gross financing costs for each major capital type and its segments. The data reveal that loans have the lowest average cost while capital obtained from angels has the highest average cost of capital. As the size of loan or investment increases, the cost of borrowing or financing from any of the following sources decreases. *Note: in this report, cells with only a "-" indicate categories where there were not enough survey observations for a meaningful result.*

### *Table 1. Private Capital Market Required Rates of Return*

| | 1st quartile | Median | 3rd quartile |
|---|---|---|---|
| Bank ($1M loan) | 7.1% | 7.8% | 10.0% |
| Bank ($5M loan) | 6.3% | 7.8% | 8.6% |
| Bank ($10M loan) | 6.0% | 7.3% | 8.4% |
| Bank ($25M loan) | 6.0% | 7.0% | 7.9% |
| Bank ($50M loan) | 5.9% | 6.5% | 7.4% |
| ABL ($1M loan) | 13.5% | 15.5% | 16.0% |
| ABL ($5M loan) | 12.0% | 15.0% | 17.0% |
| ABL ($10M loan) | 11.0% | 12.0% | 16.0% |
| ABL ($25M loan) | 8.0% | 10.0% | 12.0% |
| ABL ($50M loan) | 7.0% | 8.0% | 10.0% |
| Mezz ($5M loan) | 15.5% | 17.0% | 20.0% |
| Mezz ($10M loan) | - | - | - |
| Mezz ($25M loan) | 14.3% | 14.5% | 14.8% |
| Mezz ($50M loan) | 12.0% | 13.0% | 14.6% |
| PEG ($1M EBITDA) | 23.8% | 35.0% | 40.0% |
| PEG ($5M EBITDA) | 23.5% | 30.0% | 33.8% |
| PEG ($10M EBITDA) | 22.5% | 27.5% | 30.3% |
| PEG ($25M EBITDA) | 21.3% | 25.0% | 30.0% |
| PEG ($50M EBITDA) | 20.0% | 25.0% | 28.8% |
| VC (Seed) | 33.0% | 33.0% | 43.0% |
| VC (Startup) | 28.0% | 33.0% | 38.0% |
| VC (Early Stage) | 28.0% | 33.0% | 38.0% |
| VC (Expansion) | 22.0% | 28.0% | 44.0% |
| VC (Later Stage) | 18.0% | 28.0% | 33.0% |
| Angel (Seed) | 28.0% | 38.0% | 43.0% |
| Angel (Startup) | 23.0% | 28.0% | 38.0% |
| Angel (Early Stage) | 23.0% | 28.0% | 38.0% |
| Angel (Expansion) | 20.0% | 28.0% | 28.0% |
| Angel (Later Stage) | 18.0% | 23.0% | 25.0% |

# Fair Value of the Software Agreement

## Public Guideline Method - Transaction Analysis / Valuation Method - Project Management and ERP Applications

**Database review of Pratt's DealStats, Valutico, Capital IQ, PitchBook, aicomparables, Y-Charts** **Schedule 8.1**

| PXM, PIM and ERP type Systems et al | | | Median | Median |
|---|---|---|---|---|
| Deal Sizes in the Venture Capital Markets | Transactions/Deals | Tier | EBITDA Multiples | Revenue Multiples |
| up to $2.5m | 28 | 5 | 4.6 x | 1.9 x |
| $2.5m - $6.9m | 18 | 4 | 8.6 x | 3.2 x |
| $7m - $10.9m | 19 | 3 | 12.2 x | 4.7 x |
| $11.0m - $14.9m | 16 | 2 | 16.5 x | 6.1 x |
| $15m+ | 11 | 1 | 21.2 x | 7.4 x |
| | 92 | | | |

| | 2024 | 2025 |
|---|---|---|
| Projected Revenues | $ 193,466 | $ 1,099,503 |
| Multiplier (based on Median of Tier 4) | 3.2 x | 3.2 x |
| | $ 619,090 | $ 3,518,410 |
| Weighting | 0.0% | 100.0% |
| | $ - | $ 3,518,410 |
| Total of Weighted Amounts | | $ 3,518,410 |

**Implied Valuation, say $ 3,520,000**

Certain Comparables Examined More Closely (Crunchbase, S&P Capital IQ and Owler)

| | Reported Current Trailing Revenues | EBITDA | Adj. Implied Valuation / EV / Sales Price | Terms | Price to Revenues |
|---|---|---|---|---|---|
| Akeneo Inc.<br>Akeneo is a global leader in Product Experience Management (PXM) solutions | $ 160,000,000 | n/a | Raised US$196.4m (6 rounds 2013-2022) US$135m raised in 2022 by Summit Capital Partners | Early stage transactions in pre-2018 done in and around 20x EBITDA and 7x Revenues | 7.0 |
| PimCore GmbH<br>Open-source software platform which delivers business value through seamless data and customer experience management. | $ 10,600,000 | n/a | Raised US$15.5m (2 rounds 2018 & 2022) Nordwind Growth and ACUTUS Capital | Early stage transactions in 2018 done in and around 4.5x Revenues | 4.5 |
| InRiver AB<br>InRiver offers a product information management (PIM) solution that helps businesses to drive online sales. | $ 21,000,000 | n/a | Raised US$49.9m (4 rounds 2013 to 20202) Lugard Road Capital did US$32m in 2022 | Early stage transactions in 2015 and 2017 done in and around 5.1x Revenues | 5.1 |
| Salsify, Inc.<br>Salsify helps brands by providing tools to track and analyze inventories, presentation, and sales of goods on digital shelves. | $ 110,000,000 | n/a | Raised US$452m (7 rounds 2013 to 20202) TPG invested US$200m in 2022 | Early stage transactions in 2013 and 2016 done in and around 6.2x Revenues | 5.7 |
| Riversand Technologies, Inc. | $ 55,000,000 | $ - | Raised US$45m (3 | Early stage transaction in | 5.5 |

| | | | | | |
|---|---|---|---|---|---|
| 43 | Riversand is a Texas-based SaaS platform that provides master data experience, product information management, and related solutions for sectors such as CPG and energy. | | rounds 2017 to 2019) Crestline was the last investor in 2019 and invested US$10m | 2017/done in and around 5.5x Revenues | |
| 44 | | | | | |
| 45 | Riversand is headquartered in Houston, Texas. Riversand has a revenue of $55m and 300 employees. Riversand has raised a total of $46.5M in funding. Riversand's main competitors are Stibo Systems, Reltio and Profisee | | | In May of 2021 Syndigo (Chicago-based SaaS PIM company) acquired Riversand for an undisclosed amount | Syndigo acquired seven (7) different companies from 2019-2021 |
| 46 | | | | | |
| 47 | | | | | |

| | | | | |
|---|---|---|---|---|
| 48 | | | | |
| 49 | *Numbers are rounded. Transactional data from 2013 to 2022 largely from the U.S.* | | | |
| 50 | *Are reasonable to use as has certain technology and product similarities; although they are in much larger revenues* | | | |
| 51 | | | Average: | 5.56 |
| 52 | | | Median: | 5.50 |
| 53 | | | Range of Multiples: | 4.5 - 7.0 |
| 54 | | | Discounted Multiple Range calculated/selected for the Public Company - using WACC: | 35.82% |
| 55 | | | Median after applying discount | 3.53 |
| 56 | | | | |
| 57 | | Projected 2025 Revenues - First Year Full-Scale Operations | $ 1,099,503 | $ 1,099,503 |
| 58 | | | Implied Valuation | $ 3,881,136 |
| 59 | | | **Implied Valuation, say** | **$ 3,880,000** |
| 60 | ***Supportive of the above conclusion (row 18) which is specific to SW and IP; best to rely on that broader market data and specific SW/IP driven conclusion in row 18*** | | | |

# Fair Value of the Software Agreement

## Average of Valuation Methods

**Schedule 9.1**

### Effective Date of the Valuation: December 31, 2023

**stated in United States dollars**

| | | Fair Value | |
|---|---|---|---|
| 1 | Fair Value using Cost Method | $ | 2,710,000 |
| 2 | Fair Value using Income Method - Discounted Cash Flow | $ | 3,620,000 |
| 3 | Fair Value using Market Method - Comparable Transactions | $ | 3,520,000 |
| 4 | Average of the Above Methods | $ | 3,283,333 |
| 5 | | | |
| 6 | Fair Value of 100% of the Software Agreement, Post Proposed Transaction, say | $ | 3,280,000 |

**Software Agreement between DCP and Venzee Technologies Inc. and Restructuring of the Company (i.e., the overall "Proposed Transaction")**
**Fairness Calculation for the Venzee Technologies Inc ("VENZ") Board**

**Schedule 10.1**

| | | | | | |
|---|---|---|---|---|---|
| 1 | **Smith / DCP and Venzee Technologies Inc. Proposed Transaction and Fairness Calculation** | | | | |
| 2 | ***stated in United States dollars (C$1.00 = US$0.7539)*** | | | | |
| 3 | | | | | |
| 4 | **Pre Proposed Transaction** | | | | |
| 5 | | | Shares Issued | | |
| 6 | Total Shares Outstanding Pre Proposed Transaction | | 30,931,637 | ***A*** | |
| 7 | | | | | |
| 8 | Shares held by Smith / DCP et al | | 1,115,954 | Issued/Held to/by Smith / DCP | |
| 9 | | | 1,115,954 | ***B*** | |
| 10 | | | | | |
| 11 | | | | | % of Total |
| 12 | Shares Owned by Smith / DCP | | 1,115,954 | ***=B*** | ***3.61%*** |
| 13 | Total Shares Outstanding Pre Proposed Transaction | | 30,931,637 | ***=A*** | |
| 14 | | | | | |
| 15 | | | Debt Owed to Smith / DCP | | |
| 16 | Debt / Services / Notes | $ | 846,068 | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | **Post Proposed Transaction** | | | | |
| 20 | | | Shares Issued | | |
| 21 | Total Shares Outstanding Pre Proposed Transaction | | 30,931,637 | ***A*** | |
| 22 | | | | | |
| 23 | | | Shares To be Issued to Smith / DCP | | |
| 24 | Convertible Debentures | | 0 | Not converted | |
| 25 | Consulting and Advisory Services | | 0 | Not converted | |
| 26 | Non-convertible notes | | 0 | Not converted | |
| 27 | Shares held by Smith / DCP et al | | 1,115,954 | Previously Issued/Held to/by Smith / DCP | |
| 28 | | | 1,115,954 | ***B*** | |
| 29 | | | | | |
| 30 | Software Agreement for the PIM from DCP | | 19,318,182 | Calculated at Price of C$4.25m or US$3.2m | |
| 31 | *Assume: Perpetual/Global/Exclusive* | | =3,204,075 / US$0.17 | ***Deemed by TSX-V policy converted @ C$0.22/share*** | |
| 32 | | | | ***converted @ 0.7539 to US$0.17/share*** | |
| 33 | Shares to be Issued | | 19,318,182 | ***C*** | |
| 34 | | | | | |
| 35 | | | Shares Issued + To be Issued | | |
| 36 | | | | | % of Total |
| 37 | Shares Owned by Smith / DCP | | 20,434,136 | ***=B+C*** | ***39.78%*** |
| 38 | Total Shares Outstanding Post Proposed Transaction | | 51,365,773 | ***=A+B+C*** | |
| 39 | | | | | |
| 40 | | | Debt Owed to Smith / DCP | | |
| 41 | Debt / Services / Notes | $ | 846,068 | | |
| 42 | | | | | |
| 43 | **Fairness Calculation of the Proposed Transaction to the VENZ Shareholders** | | | | |
| 44 | ***stated in United States dollars (C$1.00 = US$0.7539)*** | | | | |
| 45 | | | **Pre Proposed Transaction FMV** | | |
| 46 | FMV of 100% Equity of VENZ Pre Proposed Transaction | $ | 1,230,000 | | |
| 47 | Smith / DCP Ownership | 3.61% | $ 44,376 | | |
| 48 | Other VENZ Shareholders | 96.39% | $ 1,185,624 | **(a)** | |
| 49 | | | | | |
| 50 | | | | | |
| 51 | | | **Post Proposed Transaction FMV** | | |
| 52 | FMV of 100% Equity of VENZ Pre Proposed Transaction | $ | 1,230,000 | | |
| 53 | Debt Conversion - VENZ Balance Sheet Post Proposed Transaction | $ | - | | |
| 54 | Working Capital Requirement | $ | (266,016) | | |
| 55 | Operational Funding | $ | (250,000) | | |
| 56 | Fair Value of the Software Agreement Issued to VENZ | $ | 3,280,000 | | |
| 57 | FMV of 100% Equity of VENZ Post Proposed Transaction | $ | 3,993,984 | | |
| 58 | | | | | |
| 59 | Smith / DCP Ownership | 39.78% | $ 1,588,871 | | |
| 60 | Other VENZ Shareholders | 60.22% | $ 2,405,113 | **(b)** | |
| 61 | | | | | |
| 62 | **(b) is equal to or greater than (a) so the *Proposed Transaction is Fair to the VENZ Shareholders*** | | | | |

**SCHEDULE "B"**

**AUDIT COMMITTEE CHARTER**

*See attached.*

**VENZEE TECHNOLOGIES INC.**

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# AUDIT COMMITTEE CHARTER

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## I. INTRODUCTION

The Audit Committee (the "**Committee**") is a standing committee appointed by the board of directors (the "**Board**") of Venzee Technologies Inc. (the "Corporation"). The Committee is established to fulfill applicable securities law obligations respecting audit committees and to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting, including to:

(a) oversee the integrity of the Corporation's financial statements and financial reporting process, including the audit process and the Corporation's internal accounting controls and procedures and compliance with related legal and regulatory requirements;

(b) oversee the qualifications and independence of the external auditors;

(c) oversee the work of the Corporation's financial management and external auditors in these areas; and

(d) provide an open avenue of communication between the external auditors, the Board and management of the Corporation.

The function of the Committee is oversight. It is not the duty or responsibility of the Committee or its members: (i) to plan or conduct audits, (ii) to determine that the Corporation's financial statements are complete and accurate and are in accordance with International Financial Reporting Standards, or (iii) to conduct other types of auditing or accounting reviews or similar procedures or investigations. The Committee, its chair and its audit committee financial expert members are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Corporation, and are specifically not accountable or responsible for the day to day operation or performance of such activities. In particular, the member or members identified as audit committee financial experts shall not be accountable for giving professional opinions on the internal or external audit of the Corporation's financial information.

Management is responsible for the preparation, presentation and integrity of the Corporation's financial statements. Management is also responsible for maintaining appropriate accounting and financial reporting principles and policies and systems of risk assessment and internal controls and procedures designed to provide reasonable assurance that assets are safeguarded and transactions are properly authorized, recorded and reported and to assure the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with accounting standards and applicable laws and regulations. The chief financial officer is responsible for monitoring and reporting on the adequacy and effectiveness of the system of internal controls. The external auditors are responsible for planning and carrying out an audit of the Corporation's annual financial statements in accordance with generally accepted auditing standards to provide reasonable assurance that, among other things, such financial statements are in accordance with International Financial Reporting Standards.

## II. PROCEDURES, POWERS AND DUTIES

The Committee shall have the following procedures, powers and duties:

1. *Composition* — The Committee shall consist of at least three members, all of whom shall be independent within the meaning of National Instrument 52-110 —Audit Committees. All members of the Committee must be or, within a reasonable period following appointment, become financially literate, meaning that each has 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.

   Should at any time the Committee not meet the composition requirements because of death, resignation, bankruptcy, adjudicated incompetence, removal or change in circumstances of one or more of the members who were on the Committee, these requirements shall not be applicable for a period of 180 days during which

time the remaining members shall appoint additional members, as necessary, who qualify to sit on the Committee and whose appointment(s) will result in the Committee meeting the composition requirements.

2. *Meetings* — The Committee shall meet regularly and as often as it deems necessary to perform the duties and discharge its responsibilities described herein in a timely manner, but not less than four (4) times a year and any time the Corporation proposes to issue a press release with its quarterly or annual earnings information. At each Committee meeting, the Committee shall meet with the chief financial officer and the external auditors to discuss any matters that the Committee or each of these groups believes should be discussed privately and such persons shall have access to the Committee to bring forward matters requiring its attention. At each Committee meeting, the Committee shall have an in camera session without management. The Committee shall maintain written minutes of its meetings.

3. *Professional Assistance* — The Committee may require the external auditors to perform such supplemental reviews or audits as the Committee may deem desirable. In addition, the Committee may retain such special legal, accounting, financial or other consultants as the Committee may determine to be necessary to carry out the Committee's duties at the Corporation's expense.

4. *Reliance* — Absent actual knowledge to the contrary (which shall be promptly reported to the Board), each member of the Committee shall be entitled to rely on: (i) the integrity of those persons or organizations within and outside the Corporation from which it receives information, (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations, and (iii) representations made by management and the external auditors as to any information technology, internal audit and other non-audit services provided by the external auditors to the Corporation and its subsidiaries.

5. *Reporting to the Board* — The Committee will report through the chair of the Committee to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.

6. *Procedure* — The Committee meetings shall be conducted as follows: (i) questions arising at any meeting shall be decided by a majority of the votes cast, (ii) decisions may be taken by written consent signed by all members of the Committee, and (iii) meetings may be called by the external auditors of the Corporation or any member of the Committee upon not less than 48 hours notice, unless such notice requirement is waived by the Committee members. The external auditors of the Corporation are entitled to receive notice of every meeting of the Committee and, at the expense of the Corporation, to attend and be heard thereat and, if so requested by a member of the Committee, shall attend any meeting of the Committee held during the term of office of the external auditors.

7. *Access* — The Committee is entitled to full access to all books, records, facilities and personnel of the Corporation and its subsidiaries. The Committee may require such officers, directors and employees of the Corporation and its subsidiaries and others as it may see fit from time to time to provide any information about the Corporation and its subsidiaries it may deem appropriate and to attend and assist at meetings of the Committee.

## III. AUDIT RESPONSIBILITIES OF THE COMMITTEE

### A. Selection and Oversight of the External Auditors

1. The external auditors are ultimately accountable to the Committee and the Board as the representatives of the shareholders of the Corporation and shall report to the Committee and the Committee shall so instruct the external auditors. The Committee shall evaluate the performance of the external auditors and make recommendations to the Board on the reappointment or appointment of the external auditors of the Corporation to be proposed in the Corporation's management information circular for approval of the shareholders of the Corporation and the compensation to be paid by the Corporation to the external auditors. If a change in external auditors is proposed, the Committee shall review the reasons for the change and any

other significant issues related to the change, including the response of the incumbent auditors, and enquire on the qualifications of the proposed auditors before making its recommendation to the Board.

2. The Committee shall approve in advance the terms of engagement of the external auditors with respect to the conduct of the annual audit. The Committee may approve policies and procedures for the pre-approval of services to be rendered by the external auditors, including de minimis exceptions, which policies and procedures shall include reasonable detail with respect to the services covered. All non-audit services to be provided to the Corporation or any of its subsidiaries by the external auditors or any of their affiliates which are not covered by pre-approval policies and procedures approved by the Committee shall be subject to pre-approval by the Committee. The Committee will review disclosure respecting fees paid to the external auditors for audit and non-audit services. Any services under pre-approval will be reported at the following meeting.

3. The Committee shall review the independence of the external auditors and shall make recommendations to the Board on appropriate actions to be taken which the Committee deems necessary to protect and enhance the independence of the external auditors. In connection with such review, the Committee shall:

   (a) actively engage in a dialogue with the external auditors about all relationships or services that may impact the objectivity and independence of the external auditors;

   (b) require that the external auditors submit to it on a periodic basis, and at least annually, a formal written statement delineating all relationships between the Corporation and its subsidiaries, on the one hand, and the external auditors and their affiliates on the other hand;

   (c) consider the auditor independence standards promulgated by applicable auditing regulatory and professional bodies; and

   (d) ensure periodic rotation of lead audit partner.

4. The Committee shall establish and monitor clear policies for the hiring by the Corporation of employees or former employees of the external auditors.

5. The Committee shall require the external auditors to provide to the Committee, and the Committee shall review and discuss with the external auditors, all reports which the external auditors are required to provide to the Committee or the Board under rules, policies or practices of professional or regulatory bodies applicable to the external auditors, and any other reports which the Committee may require.

6. The Committee is responsible for resolving disagreements between management and the external auditors regarding financial reporting and the application of any accounting principles or practices. The Committee shall discuss with the external auditors any difficulties that arose with management during the course of the audit and the adequacy of management's responses in correcting audit-related deficiencies.

**B. Oversight and Monitoring of Audits**

1. The Committee shall review with the external auditors and management the audit function generally, the objectives, staffing, locations, co-ordination, reliance upon management and internal audit and general audit approach and scope of proposed audits of the financial statements of the Corporation and its subsidiaries, the overall audit plans, the responsibilities of management and the external auditors, the audit procedures to be used and the timing and estimated budgets of the audits.

2. The Committee shall meet periodically with management (including meetings with the Board in absence of management) to discuss the progress of their activities and any significant findings stemming from internal audits and any difficulties or disputes that arise with management and the adequacy of management's responses in correcting audit-related deficiencies.

3. The Committee shall review with management the results of internal and external audits.

4. The Committee shall take such other reasonable steps as it may deem necessary to satisfy itself that the audit was conducted in a manner consistent with all applicable legal requirements and auditing standards of applicable professional or regulatory bodies.

**C. Oversight and Review of Accounting Principles and Practices**

1. The Committee shall, as it deems necessary, oversee, review and discuss with management and the external auditors:

   (a) the quality, appropriateness and acceptability of the Corporation's accounting principles and practices used in its financial reporting, changes in the Corporation's accounting principles or practices and the application of particular accounting principles and disclosure practices by management to new transactions or events;

   (b) all significant financial reporting issues and judgments made in connection with the financial statements, including the effect of any alternative treatment within International Financial Reporting Standards;

   (c) any material change to the Corporation's auditing and accounting principles and practices as recommended by management or the external auditors or which may result from proposed changes to applicable International Financial Reporting Standards;

   (d) the effect of regulatory or accounting limitations on the Corporation's financial reporting;

   (e) any reserves, accruals, provisions, estimates or Corporation programs and policies, including factors that affect asset and liability carrying values and the timing of revenue and expense recognition, that may have a material effect upon the financial statements of the Corporation;

   (f) any legal matter, claim or contingency that could have a significant impact on the financial statements and any material reports, inquiries or correspondence from regulators or governmental authorities regarding compliance with applicable requirements and any analysis respecting disclosure with regard to any such legal matter, claim or contingency in the financial statements;

   (g) the treatment for financial reporting purposes of any significant transactions which are not a normal part of the Corporation's operations;

   (h) the use of any “pro-forma” or “adjusted” information not in accordance with International Financial Reporting Standards; and

   (i) management's determination of goodwill impairment, if any, as required by applicable accounting standards.

**D. Oversight and Monitoring of Internal Controls**

1. The Committee shall, as it deems necessary, exercise oversight of, review and discuss with management and the external auditors:

   (a) the adequacy and effectiveness of the Corporation's internal accounting and financial controls and the recommendations of management and the external auditors for the improvement of accounting practices and internal controls;

   (b) any material weaknesses in the internal control environment, including with respect to computerized information system controls and security; and

(c) management's compliance with the Corporation's processes, procedures and internal controls.

**E. Communications with Others**

2. The Committee shall establish and monitor procedures for the receipt and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or audit matters and the anonymous submission by employees of concerns regarding questionable accounting or auditing matters and review periodically with management these procedures and any significant complaints received.

**F. Oversight and Monitoring of the Corporation's Financial Disclosures**

1. The Committee shall:

(a) review with the external auditors and management and recommend to the Board for approval the audited annual financial statements and the notes and management's discussion and analysis accompanying such financial statements, and the Corporation's annual report;

(b) review with the external auditors and management each set of interim financial statements and the notes and management's discussion and analysis accompanying such financial statements; and

(c) review with the external auditors and management any financial statements included or to be included in a prospectus, any financial information of the Corporation contained in any management information circular of the Corporation, and any other disclosure documents or regulatory filings of the Corporation containing or accompanying financial information of the Corporation.

2. Such reviews shall be conducted prior to the release of any summary of the financial results or the filing of such reports with applicable regulators.

3. Prior to their distribution, the Committee shall discuss earnings press releases, as well as financial information and earnings guidance provided to analysts and ratings agencies, it being understood that such discussions may, in the discretion of the Committee, be done generally (i.e., by discussing the types of information to be disclosed and the type of presentation to be made) and that the Committee need not discuss in advance each earnings release or each instance in which the Corporation gives earning guidance.

4. The Committee shall review with management the assessment of the Corporation's disclosure controls and procedures and material changes in their design.

**G. Oversight of Finance Matters**

1. Appointments of the key financial executives involved in the financial reporting process of the Corporation, including the chief financial officer, shall require the prior review of the Committee.

2. The Committee shall receive and review:

(a) periodic reports on compliance with requirements regarding statutory deductions and remittances, the nature and extent of any non-compliance together with the reasons therefor and the management's plan and timetable to correct any deficiencies;

(b) material policies and practices of the Corporation respecting cash management and material financing strategies or policies or proposed financing arrangements and objectives of the Corporation; and

(c) material tax policies and tax planning initiatives, tax payments and reporting and any pending tax audits or assessments.

3. The Committee shall meet periodically with management to review and discuss the Corporation's major financial risk exposures and the policy steps management has taken to monitor and control such exposures, including the use of financial derivatives and hedging activities.

4. The Committee shall meet with management to review the process and systems in place for ensuring the reliability of public disclosure documents that contain audited and unaudited financial information and their effectiveness.

**H. Business and Ethical Conduct**

1. The Committee shall:

   (a) periodically review and approve any changes to the "Code of Business Conduct and Ethics" for any directors, officers and employees of the Corporation and its subsidiaries and be responsible for granting any waivers from the application of such code; and

   (b) review management's monitoring of compliance with such code.

**I. Additional Responsibilities**

1. The Committee shall review any significant or material transactions outside the Corporation's ordinary activities.

2. The Committee shall review and make recommendations to the Board concerning the financial condition of the Corporation and its subsidiaries, including with respect to annual budgets, corporate borrowings, investments, capital expenditures, long term commitments and the issuance and/or repurchase of securities.

3. The Committee shall review and/or approve any other matter specifically delegated to the Committee by the Board and undertake on behalf of the Board such other activities as may be necessary or desirable to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting.

## IV. AUDIT COMMITTEE CHARTER

1. The Committee shall review and reassess the adequacy of this Charter at least annually and otherwise as it deems appropriate and recommend changes to the Board. The performance of the Committee shall be evaluated with reference to this Charter annually.

2. The Committee shall ensure that this Charter or a summary of it which has been approved by the Committee is disclosed in accordance with all applicable securities laws or regulatory requirements in the annual management information circular or annual information form of the Corporation.

**Last updated**: January 25, 2018.