



**FIRAN TECHNOLOGY GROUP
CORPORATION**

**NOTICE OF
ANNUAL MEETING OF SHAREHOLDERS**

MANAGEMENT PROXY CIRCULAR

Meeting Date: Friday, April 12, 2024, 10:30 a.m. (Eastern time)
Location: Hilton Toronto, 145 Richmond St. W.,
3rd Floor, Osgoode Room
Toronto, Ontario, Canada

February 22, 2024



**FIRAN TECHNOLOGY GROUP
CORPORATION**

February 22, 2024

Dear Shareholder:

On behalf of the Board of Directors and the management of Firan Technology Group Corporation (the "Corporation"), I invite you to attend our Annual Meeting of Shareholders (the "Meeting"). The Meeting will be held at Hilton Toronto, 145 Richmond St. W., 3rd Floor, Osgoode Room, Toronto, Ontario, Canada on Friday, April 12, 2024 at 10:30 a.m. (Eastern time). Please find enclosed the Notice of Meeting, Management Proxy Circular and Form of Proxy for the Meeting.

We would like all shareholders to be represented at the Meeting. If you are unable to attend the Meeting, please complete, date and sign the enclosed Form of Proxy, and return it in the enclosed envelope as set out in the Notice of Meeting.

We look forward to welcoming you at the Meeting.

Yours truly,

A handwritten signature in dark ink, appearing to be 'B. Bourne', with a stylized flourish at the end.

Bradley C. Bourne
President and Chief Executive Officer

**FIRAN TECHNOLOGY GROUP CORPORATION
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

to be held on April 12, 2024

Notice is hereby given that the annual meeting (the “Meeting”) of shareholders of Firan Technology Group Corporation (the “Corporation”) will be held at the Hilton Toronto, 145 Richmond St. W., 3rd Floor, Osgoode Room, Toronto, Ontario, Canada on April 12, 2024, at 10:30 a.m. (Eastern). The Meeting is to be held for the following purposes:

- (a) TO RECEIVE the Corporation’s annual report, which contains the comparative audited consolidated financial statements as at and for the fiscal years ended November 30, 2023 (“fiscal 2023”) and 2022 (“fiscal 2022”) and the report of the auditor thereon, a copy of which is enclosed herewith;
- (b) TO ELECT the directors of the Corporation (the “Directors”) for the ensuing year;
- (c) TO RE-APPOINT the auditor of the Corporation for the ensuing year and to authorize the Directors to fix their remuneration;
- (d) TO TRANSACT such further or other business as may properly come before the Meeting or any adjournment(s) thereof.

This Notice is accompanied by the Management Proxy Circular and a Form of Proxy.

Shareholders are invited to attend the Meeting. *Registered shareholders* who are unable to attend the Meeting in person are requested to complete, date and sign the enclosed Form of Proxy and return it in the enclosed envelope to TSX Trust Company, Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1 (fax: 416-595-9593 or by Email at proxyvote@tmx.com). *Non-registered shareholders* who receive these materials through their broker or other intermediary should complete and send the voting instruction form in accordance with the instructions provided by their broker or intermediary. To be effective, proxies to be used at the Meeting must be received by TSX Trust Company before 10:30 a.m. (Eastern) on April 10, 2024, or, in the case of any adjournment of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjourned Meeting.

DATED at Toronto, Ontario this 22nd day of February, 2024.

By Order of the Board of Directors



Bradley C. Bourne
President & Chief Executive Officer



FIRAN TECHNOLOGY GROUP CORPORATION

Management Proxy Circular for the Annual Meeting of Shareholders to be held on April 12, 2024.

Unless otherwise indicated, in this Management Proxy Circular (the “Circular”) all information is given as of February 22, 2024 and all dollar amounts are expressed in Canadian dollars unless specified otherwise.

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SCHEDULE “A” – MANDATE FOR THE BOARD OF DIRECTORS

I. PROXY AND VOTING INFORMATION

Solicitation of Proxies

This Circular is furnished in connection with the solicitation by or on behalf of the management of Firan Technology Group Corporation (the “Corporation” or “FTG”) of proxies to be used at the annual meeting of shareholders of the Corporation to be held in at the Hilton Toronto, 145 Richmond St. W., 3rd Floor, Osgoode Room, Toronto, Ontario, Canada on April 12, 2024 at 10:30 a.m. (Eastern time) (the “Meeting”) or at any adjournment(s) thereof. It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone by officers (“Officers”) or employees of the Corporation without special compensation. The cost of solicitation will be borne by the Corporation.

No person is authorized to give any information or to make any representations with respect to matters contained in this Circular other than the information or the representations set out herein, and, if given or made, such information or representations must not be relied upon as having been authorized.

Appointment of Proxyholder

The persons named in the enclosed Form of Proxy are directors (“Directors”) or Officers of the Corporation. **Each shareholder of the Corporation has the right to appoint as proxyholder a person or company (who need not be a shareholder of the Corporation) other than the persons named in the enclosed Form of Proxy to attend and act on the shareholder’s behalf at the Meeting, or at any adjournment(s) thereof.** To exercise this right, the shareholder should insert the name of the desired representative in the blank space provided in the enclosed Form of Proxy or complete another proper Form of Proxy.

Registered shareholders who are unable to attend the Meeting in person are requested to complete, date and sign the enclosed Form of Proxy and return it in the envelope provided to TSX Trust Company, Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1 (fax: 416-368-2502 (outside North America) or 1-866-781-3111 (within North America)) or by Email at proxyvote@tmx.com. To be effective, proxies to be used at the Meeting must be received by TSX Trust Company before 10:30 a.m. (Eastern time) on April 10, 2024, or, in the case of any adjournment of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjourned Meeting. Non-registered shareholders who receive these materials through their broker or other intermediary should complete and send the Form of Proxy or Voting Instruction Form in accordance with the instructions provided by their broker or intermediary.

Revocation of Proxy

A registered shareholder who has submitted a proxy may revoke it by depositing an instrument in writing executed by the shareholder or by the shareholder’s attorney authorized in writing to the attention of TSX Trust Company, Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1 (fax: 416-368-2502 (outside North America) or 1-866-781-3111 (within North America)) or by Email to proxyvote@tmx.com or to the attention of the President and Chief Executive Officer of the Corporation at the registered office of the Corporation at 250 Finchdene Square, Toronto, Ontario, M1X 1A5 (fax: 416-299-1140, Email: info@ftgcorp.com), at any time up to and including the last business day preceding the day of the Meeting (or in the case of any adjournment of the Meeting, the last business day preceding the day of the adjourned meeting), or with the Chairman of the Meeting on the day of and prior to the start of the Meeting, or any adjournment thereof, or

in any other manner permitted by law, but prior to the exercise of such proxy in respect of any particular matter.

Non-Registered Shareholders

Only registered shareholders of the Corporation or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares (as defined below) beneficially owned by a person (a “Non-Registered Holder”) are registered either: (a) in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the Common Shares (Intermediaries include, among others, 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. In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”) of the Canadian Securities Administrators (the “CSA”), the Corporation has distributed copies of the Notice of Meeting, this Circular and the Form of Proxy (collectively, the “Meeting Materials”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive such materials. Intermediaries often use service companies to forward Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders will receive a request for voting instructions (a “Voting Instruction Form”) which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions. Non-Registered Holders should follow the instructions provided on the Voting Instruction Form, using one of the described voting methods provided, to vote their Common Shares.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Holder who receives a Voting Instruction Form wish to vote at the Meeting (or have another person vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the persons named in the form and insert the Non-Registered Holder or such other person’s name in the blank space provided. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the Voting Instruction Form is to be delivered.**

A Non-Registered Holder may revoke a Voting Instruction Form or a waiver of the right to receive the Meeting Materials and to vote which has been given to an Intermediary or its service company at any time by written notice to the Intermediary, except that an Intermediary is not required to act on a revocation of a Voting Instruction Form or a waiver of the right to receive Meeting Materials and to vote that is not received by the Intermediary at least seven days prior to the Meeting.

Voting of Proxies

On any ballot that may be called for at the Meeting, the common shares of the Corporation (“Common Shares”) represented by properly executed proxies given in favour of the persons named in the enclosed Form of Proxy will be voted for, against or withheld from voting in accordance with the specifications made therein, and if a shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares of such shareholder will be voted accordingly. **If no**

choice is specified in the proxy with respect to a particular matter, the person designated in the accompanying Form of Proxy will vote FOR such matter.

The enclosed Form of Proxy confers discretionary authority upon the persons named therein to decide how to vote with respect to amendments or variations to matters identified in the accompanying Notice of Meeting, and with respect to other matters which may properly come before the Meeting or any adjournment(s) thereof. As of the date of this Circular, management of the Corporation is not aware of any such amendment, variation or other matter to come before the Meeting. However, if any amendments to matters identified in the accompanying Notice of Meeting or if any other matters which are not now known to management of the Corporation should properly come before the Meeting or any adjournment(s) thereof, the Common Shares represented by properly executed proxies given in favour of management nominees will be voted on such matters pursuant to such discretionary authority and in accordance with the best judgment of such nominees.

Record Date

The Board of Directors of the Corporation (the “Board of Directors” or the “Board”) has fixed February 22, 2024 as the record date for the purpose of determining holders of Common Shares entitled to receive notice of and to vote at the Meeting. Any holder of Common Shares of record at the close of business on the record date is entitled to vote the Common Shares registered in such shareholder’s name at that date on each matter to be acted upon at the Meeting.

II. VOTING SHARES AND PRINCIPAL SHAREHOLDERS

Principal Shareholders

To the knowledge of the Directors and executive Officers of the Corporation, as at February 22, 2024, the only persons or companies that beneficially own, or control or direct, directly or indirectly, Shares of the Corporation carrying 10% or more of the voting rights attached to such Shares are as follows:

<u>Person</u>	<u>Number of Voting Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly</u>	<u>Percentage of Outstanding Shares Represented</u>	<u>Percentage of Total Votes at Meeting</u>
Oakwest Corporation Limited (“Oakwest”)	4,804,987 Common	20.1% of Common	20.1%
TD Waterhouse Canada Inc.	2,402,788 Common	10.0% of Common	10.0%
Bradley C. Bourne, President and CEO of the Corporation	2,723,900 Common	11.4% of Common	11.4%

Voting Shares

The authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series (“Preferred Shares” and, together with

the Common Shares, the “Shares”). As at February 22, 2024, the record date for the Meeting, the Corporation had outstanding 23,874,802 Common Shares and nil Preferred Shares.

The Common Shares represent 100% of the aggregate voting rights attached to the Corporation’s outstanding Shares. Except as otherwise noted in this Circular, a simple majority of the votes cast at the Meeting, whether in person, by proxy or otherwise, will constitute approval of any matter submitted to a vote.

III. MATTERS TO BE ACTED UPON AT THE MEETING

1. Presentation of Annual Financial Statements for Fiscal 2023

A copy of the Corporation’s comparative audited consolidated financial statements as at and for its fiscal years ended November 30, 2023 (“fiscal 2023”) and 2022 (“fiscal 2022”) and the report of the auditor thereon will be placed before the Meeting.

2. Election of Directors

The number of Directors to be elected at the Meeting is six. Under the by-laws of the Corporation, Directors are elected annually. Each Director will hold office until the next annual meeting of shareholders of the Corporation or until the successor of such Director is duly elected, unless such office is earlier vacated in accordance with the by-laws of the Corporation.

In the absence of a contrary instruction, or if no choice is specified in the enclosed Form of Proxy with respect to this matter, the persons named in the enclosed Form of Proxy intend to vote FOR the election of the Director nominees whose names are set forth in Section IV – Board of Directors below, each of whom has been a Director since the date indicated below opposite their name. Management of the Corporation 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 named in the enclosed Form of Proxy reserve the right to vote for another nominee in their discretion.

Advance Notice Provisions

The Corporation’s by-laws include certain advance notice provisions (the “Advance Notice Provisions”) with respect to the election of Directors. The Advance Notice Provisions are intended to (a) facilitate orderly and efficient annual general meetings or, where the need arises, special meetings, (b) ensure that all shareholders receive adequate notice of Board nominations and sufficient information with respect to all nominees and (c) allow shareholders to register an informed vote. Only persons who are nominated by shareholders in accordance with the Advance Notice Provisions will be eligible for election as Directors at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of Directors.

The Corporation did not receive notice of any Director nominations in connection with this year’s Meeting within the time periods prescribed by the Advance Notice Provisions. Accordingly, at the Meeting the only persons eligible to be nominated for election to the Board are the nominees set forth in Section IV – Board of Directors below.

Majority Voting Policy

Pursuant to the Canada Business Corporations Act (“CBCA”), shareholders are to vote “for” or “against” (as opposed to “for” and “withhold”) nominees for Director at an uncontested meeting. If a nominee does not receive a majority of the votes cast for their election, the nominee will not be elected and the Director position will remain open or, if in the case of incumbent directors, such director may continue in office until the earlier of (i) the 90th day after the election, or (ii) the day on which his or her successor is appointed or elected.

3. *Re-appointment of Auditor*

At the Meeting, the holders of Common Shares will be requested to re-appoint MNP LLP (“MNP”) as the auditor of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed, and to authorize the Board of Directors to fix the auditor’s remuneration. MNP was first appointed as the auditor of the Corporation on April 14, 2020.

Management of the Corporation maintains a policy, approved by the Audit Committee, for engagement of the Corporation’s auditor for any non-audit related services. The objective of the policy is to ensure that the auditor’s objectivity is not compromised. It sets out the rules to be followed when engaging the Corporation’s auditor for any non-audit related services and that approval is required by the Audit Committee or its designate prior to the commencement of any non-audit related engagement.

In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed Form of Proxy intend to vote FOR the appointment of MNP LLP as auditor of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed, and the authorization of the Board of Directors to fix the remuneration of the auditor.

IV. BOARD OF DIRECTORS

1. *Nominees for Election as Directors*

The following table sets forth information with respect to each person proposed to be nominated for election as a Director, including the number of Shares of the Corporation beneficially owned, or over which control or direction was exercised, directly or indirectly, by such person and his associates or affiliates as at the date of this Circular.

Nominee Name and Place of Residence	Principal Occupation	Director Since⁽¹⁾	Voting Shares Beneficially Owned Which Control or Discretion is Exercised⁽²⁾	Deferred Share Units	Performance Stock Units
Bradley C. Bourne Mississauga, Ontario Canada Age: 65	President and Chief Executive Officer of the Corporation	June 30, 2003	2,723,900 Common	-	60,000
Mr. Bradley C. Bourne holds a degree in Mechanical Engineering from the University of Toronto and a Master in Business Administration from the Ivey School of Business. Mr. Bourne spent 17 years at Spar Aerospace, a Canadian aerospace company, in roles of increasing responsibility within their space robotics business, their satellite business and the corporate office. Mr. Bourne joined FTG in 2002 as President and became Chief Executive Officer of the Corporation on January 9, 2004.					

Mike L. Andrade (3)(4)(5) Toronto, Ontario Canada Age: 60	CEO of Morgan Solar	July 7, 2016	100,000 Common	18,101	-
Mr. Mike L. Andrade is currently the CEO of Morgan Solar, a solar energy company, and has over 30 years of experience in the technology industry. Mr. Andrade previously held several high-ranking positions at Celestica Inc. ("Celestica"), most recently as President of Diversified Markets. He was part of the founding management team at Celestica, leaving IBM Canada Limited in 1994. He has extensive experience in sales, engineering, finance, operations management, mergers and acquisitions, and commodity management. Mr. Andrade is a member of the Professional Engineers of Ontario. He holds a Bachelor of Engineering Science degree from the University of Western Ontario, and a Master of Business Administration degree from the Schulich School of Business. Mr. Andrade is also active in manufacturing and technology sector, including being on the Boards of the Next Generation Manufacturing, Building Energy Innovators Council and a founding member of the Canadian Council of Innovators.					
Robert J. Beutel (3)(4)(5)(7)(8) Toronto, Ontario Canada Age: 64	Executive Officer, Oakwest Corporation Limited	Feb 23, 2022 ⁽⁷⁾	12,383 Common ⁽⁸⁾	10,243	-
Mr. Robert J. Beutel has been an executive officer of Oakwest, an investment and management holding company, since 1987. Mr. Beutel is a director of several private companies and he is the former Chairman of Strongco Corporation.					
Edward C. Hanna (3)(4)(5)(6) Beaufort, North Carolina U.S.A. Age: 77	Corporate Director and Business Consultant	June 30, 2003	38,237 Common	19,440	-
Mr. Edward C. Hanna was the Chief Executive Officer and Chairman of the Board of Glendale International Corp. (R.V. manufacturer) from April 2, 2001 until January 19, 2010. Prior to this, Mr. Hanna was Managing Director, Fernau Avionics UK, a company which specialized in the design and manufacture of Air Navigational Aids and President of Denro, Inc. USA, a company which designed and manufactured Air Traffic Control communications equipment worldwide. Mr. Hanna is a Certified Public Accountant and has a Bachelor of Science in Business Administration from the University of North Carolina.					
David F. Masotti (3)(4)(5) Etobicoke, Ontario Canada Age: 61	Corporate Director and Business Consultant	April 4, 2004	38,237 Common	18,101	-
Mr. David F. Masotti is a corporate director and business leader with general management experience in numerous industries including telecommunications, aerospace and venture capital. Mr. Masotti was the co-founder and a Director of Defyrus Inc., a life sciences biodefence company (from 2008 to 2020). Previous positions also include President and Chief Operating Officer of Chemtrade Logistics Income Fund, a provider of industrial chemicals and services (from January 2006 to October 2007), President of Rogers Telecom Inc. (from March 2005 to January 2006), President and Chief Executive Officer of DFM Consulting Inc. (from July 2002 to March 2005), President and Chief Executive Officer of Skulogix Inc., a provider of online fulfillment and financial settlement services (from March 1999 to July 2002), President of Spar Space Systems, a manufacturer of space robotics and satellite components and systems (from February 1997 to February 1999), and President of Rogers WAVE™ (@HOME), a provider of high speed internet services (from 1994 to 1995). Mr. Masotti has an Electrical Engineering Degree from Queen's University and an MBA from the Harvard Business School. Mr. Masotti is also a recipient of the <i>Top 40 Under 40</i> business achievement award. Mr. Masotti is on the advisory board of Deveron Corp (CVE:FARM), Authentic Web (Internet Security), and was a member of the board of directors of COM DEV International Ltd. (TSX:CDV). Mr. Masotti has served as a director of numerous other private and public companies and also served as a member of the Board of Trustees at Queen's University and was a 3-year inaugural business mentor for <i>The Next 36 – Canada's Entrepreneurial Leadership Initiative</i> .					

Amy F. Rice ⁽³⁾⁽⁴⁾⁽⁵⁾ Jacksonville, Florida U.S.A Age: 45	President, Rice Consulting Services	October 31, 2022	47,145 Common	3,869	-
Ms. Rice is the President of Rice Consulting Services, Inc. Between 2019 and 2023, Ms. Rice was the Chief Executive Officer of Sy-Klone International, a global leader and manufacturer of air filtration products for industrial machinery and military applications, both in the United States and globally. Prior to her role with Sy-Klone International, Ms. Rice held a series of positions with CSX, including Vice President of Intermodal and Coal Operations, 2018 – 2019, Vice President of Strategic Planning, 2017 – 2018, and Vice President of Finance. Ms. Rice holds an MBA from the University of Michigan and a BBA from Emory University.					

- (1) Each Director will hold office until the next annual meeting of shareholders of the Corporation or until the successor of such Director is duly elected, unless such office is earlier vacated in accordance with the by-laws of the Corporation.
- (2) The information as to Common Shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Corporation, has been furnished by the respective nominees individually.
- (3) Member of the Audit Committee.
- (4) Member of the Corporate Governance Committee.
- (5) Member of the Compensation Committee.
- (6) Chairman of the Board of Directors (“Chairman”).
- (7) Mr. Beutel previously served on the Corporation’s Board of Directors from April 2011 until April 2020.
- (8) Mr. Beutel is a senior officer and shareholder of Oakwest, which beneficially owns or controls, directly or indirectly, 4,804,987 Common Shares of the Corporation, representing 20.1% of the Common Shares issued and outstanding, and 20.1% of the votes at the Meeting.

To the knowledge of the Corporation, no Director (or personal holding company of a Director) (A) is or has been in the last ten years a Director, Chief Executive Officer or Chief Financial Officer of a company that was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days that was issued (i) while that person was acting in the capacity of Director, Chief Executive Officer or Chief Financial Officer, or (ii) after the person 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 of Director, Chief Executive Officer or Chief Financial Officer; (B) is or has been in the last ten years a Director or executive Officer of any company that, while the person was acting in the 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; (C) has in the last ten years 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 such person’s assets; or (D) is or has been subject to any penalties or sanctions (i) imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed Director.

Voting for the Election of Directors

Voting for the election of Directors is by individual voting and not by slate voting. To be elected, each nominee must receive a majority of the votes cast in person or by proxy at the Meeting. (See Section III. Matters to Be Acted Upon At the Meeting – 2. Election of Directors).

2. *Compensation of Directors*

Non-management Directors are entitled to receive grants under the Directors' Deferred Share Unit ("DSU") Plan. Under the DSU plan, 50% of a Director's annual compensation is deposited to a book-entry notional account maintained by the Corporation, subject to certain conditions. DSUs are granted to Directors annually, typically on the last day of the quarter in which the annual meeting of the shareholders ("AGM") of the Corporation is held ("Grant Date"). The number of DSUs granted to a Director equals the compensation deposited to the book-entry notional account in the 12 months prior to the AGM date divided by the Corporation's share price (average of high and low) on the Grant Date or on the immediately preceding trading day. If the Corporation's shares are not traded on any stock exchange at the time of grant, the value will be established by the Compensation Committee acting in good faith with consideration to applicable legal and tax requirements and any valuations performed by a third party valuation expert (the "Alternative Valuation"). The DSUs vest immediately upon grant unless otherwise determined by the Compensation Committee.

Subject to certain limitations, DSUs are settled in cash within 60 days following the date which a Director ceases to be a member of the Board or a director of an affiliate of the Corporation. The cash payment equals the number of DSUs being settled multiplied by the Corporation's share price (average of high and low) on the settlement date or on the immediately preceding trading day. If the Corporation's shares are not traded on any stock exchange at the time of settlement, the cash payment equals the number of DSUs being settled multiplied by the value established by the Alternative Valuation.

Each non-employee Director, other than the Chairman, earns an annual retainer of \$45,000, including \$22,500 paid in the form of DSUs. The Chairman earns an annual retainer of \$50,000, including \$25,000 paid in the form of DSUs. In addition, each non-employee Director, including the Chairman, earns a fee of \$3,000 (including \$1,500 paid in the form of DSUs) for each Board meeting attended. Each non-employee Director, including the Chairman, earns a fee of \$1,500 (including \$750 paid in the form of DSUs) for each Audit Committee, Corporate Governance and Nominating Committee, Compensation Committee and Ad Hoc meeting attended.

Description of Fee (Non-employee Directors only)	Cash	DSUs	Total
Annual retainer – Chairman	\$25,000	\$25,000	\$50,000
Annual retainer - Board Member (other than Chairman)	\$22,500	\$22,500	\$45,000
Meeting fees (Board) per meeting	\$1,500	\$1,500	\$3,000
Meeting fees (Audit Committee; Corporate Governance and Nominating Committee; Compensation Committee, Ad Hoc meetings) per meeting	\$750	\$750	\$1,500

The non-employee Directors of the Corporation are subject to a Share ownership policy which provides that they are only able to dispose of Shares once they have accumulated a minimum of 10,000 Shares, and they may only dispose of the quantity of Shares which exceeds 10,000 Shares.

Summary Compensation Table

The following table sets out all amounts of compensation provided to the non-employee Directors of the Corporation for fiscal 2023.

Name ⁽¹⁾	Fees earned (\$)	Option-based awards (\$)	Share-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Edward C. Hanna	\$38,500	-	\$38,500	-	-	-	\$77,000
Mike L. Andrade	\$36,000	-	\$36,000	-	-	-	\$72,000
Robert J. Beutel	\$36,000	-	\$36,000	-	-	-	\$72,000
David F. Masotti	\$33,000	-	\$33,000	-	-	-	\$66,000
Amy F. Rice	\$36,000	-	\$36,000	-	-	-	\$72,000

- (1) Mr. Bradley C. Bourne, who was a Director during fiscal 2023, is a Named Executive Officer (as defined below) and his compensation as Director is described in the table below under the heading “Company Executives and Executive Compensation – Executive Compensation – Summary Compensation Table”.
- (2) The amounts reported in this column represent fees accrued to the directors during fiscal 2023 for the periods in which they served as a director in such year, which fees will be satisfied by the issuance of DSUs at the end of the quarter following the annual general meeting.

Incentive Plan Awards

Outstanding share-based awards

The following table sets out the outstanding share-based awards in favour of the Directors who are not also Named Executive Officers as at November 30, 2023.

Share-based Awards ⁽¹⁾ :		
Name	Number of DSUs (#)	Payout value of DSUs (\$)
Edward C. Hanna	19,440	84,756
Mike L. Andrade	18,101	78,919
Robert J. Beutel	10,243	44,659
David F. Masotti	18,101	78,919
Amy F. Rice	3,869	16,871

- (1) DSUs are the only share-based awards held by Directors who are not also Named Executive Officers. Following the end of a Director’s tenure as a member of the Board, the Director will receive a payment in cash at the fair market value of the Common Shares represented by his or her DSUs.

Incentive plan awards – value vested or earned during the year

DSUs are the only share-based awards held by Directors who are not also executive officers of the Corporation. DSUs are fully vested upon being awarded to a Director, but are not payable until the Director’s departure from the Board.

3. *Attendance of Directors at Board and Committee Meetings*

The following table provides information with respect to attendance at meetings held during fiscal 2023.

Directors	Board Meetings		Board Committee Meetings								Overall Attendance	
	Board		Audit		Corporate Governance and Nominating		Compensation		Ad hoc			
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Bradley C. Bourne	7 of 7	100	4 of 4	100	1 of 1	100	2 of 2	100	2 of 2	100	16	100
Edward C. Hanna	7 of 7	100	4 of 4	100	1 of 1	100	2 of 2	100	2 of 2	100	16	100
Robert J. Beutel	7 of 7	100	4 of 4	100	1 of 1	100	2 of 2	100	2 of 2	100	16	100
Mike L. Andrade	7 of 7	100	4 of 4	100	1 of 1	100	2 of 2	100	2 of 2	100	16	100
David F. Masotti	6 of 7	86	3 of 4	75	1 of 1	100	1 of 2	50	2 of 2	100	13	81
Amy F. Rice	7 of 7	100	4 of 4	100	1 of 1	100	2 of 2	100	2 of 2	100	16	100

4. *Statement of Corporate Governance Practices*

The Corporation's corporate governance disclosure obligations are set out in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201"), and National Instrument 52-110 – *Audit Committees* ("NI 52-110") of the CSA. NP 58-201 sets out a series of guidelines for effective corporate governance (the "Guidelines"). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. NI 58-101 recommends the disclosure by each listed corporation of its approach to corporate governance with reference to the Guidelines as it is recognized that the unique characteristics of individual corporations will result in varying degrees of compliance.

The Board and senior management of the Corporation consider good corporate governance to be central to the effective operation of the Corporation. As part of the Corporation's commitment to effective corporate governance, the Board, with the assistance of the Corporate Governance and Nominating Committee, monitors changes in legal requirements and best practices.

The Board and the Corporation devote significant attention and resources to ensuring that the Corporation's system of corporate governance meets or exceeds applicable legal and stock exchange requirements. Of particular note, the Board has adopted policies on board governance matters applicable to all Directors, Officers and employees of the Corporation and regularly reviews these policies. With input from the relevant committees, the Board has also adopted a Board Mandate, which is attached to this Circular as Schedule "A".

Set out below is a description of certain corporate governance practices that the Corporation and the Board have implemented to address the requirements of NI 58-101 and the Guidelines.

Composition of the Board

NP 58-201 recommends that boards of directors of reporting issuers be composed of a majority of independent directors. The Board of Directors is currently comprised of a majority of individuals who qualify as "independent". An "independent director" is a director who is independent of management and free from any direct or indirect material relationship with the Corporation. The Directors have examined the relevant definitions in NP 58-201 and have individually considered their respective interests in and relationships with the Corporation. The Board has concluded that

of the proposed nominees for election of Directors at the Meeting, Mr. Edward Hanna, Mr. Robert Beutel, Mr. David Masotti, Mr. Mike Andrade and Ms. Amy Rice are independent under NP 58-201. The remaining nominee for election at the Meeting, Mr. Bradley Bourne, is considered to have a material relationship with the Corporation by virtue of his position as President and Chief Executive Officer of the Corporation and, accordingly, is not considered to be independent. The Board ensures and will ensure independent judgment in carrying out its responsibilities by causing not less than one-half of the Directors to be independent under NP 58-201.

Nomination of Directors

The Corporate Governance and Nominating Committee is responsible for periodically reviewing the size of the Board, with a view to determining the impact of the number of directors on the effectiveness of the Board. The Corporate Governance and Nominating Committee is also responsible for recruiting and identifying, and recommending to the Board for nomination, individuals qualified to become new Board members, as well as recommending individual directors to serve on the various Board committees. In making its recommendations, the Corporate Governance and Nominating Committee shall consider the competencies, skills and other qualities it considers to be necessary for the Board, as a whole, to possess, the competencies, skills and other qualities it considers each existing director to possess, and the competencies, skills and other qualities each new nominee will bring to the Board.

The Corporate Governance and Nominating Committee shall also consider the amount of time and resources that nominees have available to fulfill their duties as a Board member. The Corporate Governance and Nominating Committee is composed of independent directors within the meaning of NI 58-101. The chair of the Corporate Governance and Nominating Committee will lead the nominating process in accordance with and pursuant to the criteria for Board membership as set forth in the charter of the Corporate Governance and Nominating Committee. See “– Corporate Governance and Nominating Committee”.

To identify new candidates to serve on the Board of Directors, the Corporate Governance and Nominating Committee: maintains a list of desired competencies, expertise, skills, background and personal qualities for potential candidates; identifies and recommends to the Board individuals qualified and suitable to become Board members, taking into consideration any perceived gaps in the current Board or Committee composition; and maintains a list of suitable candidates who the Committee believes meet the identified criteria and whose skills and characteristics complement the existing mix. Potential candidates are approached by the Chairman of the Corporate Governance and Nominating Committee and meet with the members of the Committee and the Chief Executive Officer prior to nomination or appointment to review expected contributions and commitment requirements.

Independence from Management

The Corporation has in place appropriate structures and procedures to ensure that the Board can function independently of management. Mr. Edward Hanna, who was first appointed Chairman on April 14, 2020, is considered independent. Mr. Hanna is responsible for ensuring that the Board discharges its responsibilities. All but one member of the current Board members are independent Directors within the meaning of NP 58-201. However, in view of the fact that five of the Directors are independent, the Chairman, who is an independent Director, aims to ensure that there is open and candid discussion among the independent Directors. The independent Directors, from time to time, have sessions within regular Board meetings where they meet without management. In addition, Board independence is ensured as all of the Committees of the Board are made up of only

independent Directors. Further, the independent Directors of the Corporation have unrestricted, direct access to the Corporation's executives and external auditors.

Board of Directors Mandate

The Board has adopted a written mandate (the "Board Mandate") describing, among other things, the Board's role and overall responsibility to supervise the management of the business and affairs of the Corporation. The Board, directly and through its Board committees and the Chairman of the Board, shall provide direction to senior management of the Corporation, generally through the Chief Executive Officer, to pursue the best interests of the Corporation. The Board has overall responsibility for the Corporation's strategic planning, risk management, financial related matters (including approval of annual and interim financial reports and nomination and compensation of the Corporation's auditor), human resource management (including matters relating to the Chief Executive Officer and other senior management of the Corporation, succession planning, director remuneration, and the Corporation's equity compensation plans), Board nomination matters, corporate governance, and communications with the Corporation's shareholders. The text of the Board Mandate is reproduced in its entirety in Schedule "A".

The frequency of the meetings of the Board as well as the nature of agenda items change depending upon the state of the Corporation's affairs and in light of opportunities or risks which the Corporation faces. The Board held seven meetings during fiscal 2023.

Position Descriptions

The Board has developed a position description for the Chairman, and his responsibilities are also contained in the Corporation's by-laws. The written position description for the Chairman provides, among other things, that the Chairman will: provide leadership in defining, setting and implementing the corporate culture of the Corporation and in fostering the effectiveness of the Board; ensure there is an effective relationship between the Board and senior management of the Corporation including by acting as a liaison between the Board and senior management; in consultation with the other members of the Board, including Chief Executive Officer and Corporate Secretary of the Corporation, prepare the agenda for each meeting of the Board; ensure that timely and relevant information and other resources are available to the Board to adequately support its work; ensure appropriate communication between the Board and shareholders and chair all shareholder general meetings; and chair Board meetings (other than in camera meetings or portions of such meetings in respect of which the Chair is conflicted).

The Board has also adopted a written position description for each of the Board committee Chairs which sets out each of the committee Chair's key responsibilities, including, among others, duties relating to: providing leadership to foster the effectiveness of the committee; ensuring there is an effective relationship between the Board and the committee, including by providing a report to the Board on material matters considered by the committee; preparing the agenda for each meeting of the committee; chairing committee meetings; and providing additional services required by the Board and the committee.

The Board has also adopted a position description for the Chief Executive Officer which sets out the key responsibilities of the Chief Executive Officer including for: developing and recommending to the Board a long-term strategy and vision for the Corporation that is consistent with long-term value creation; developing and recommending to the Board annual business plans and budgets that support the Corporation's long-term strategy; providing leadership and vision, maintaining a high level of employee morale and motivation, with a view to ensuring the implementation of the Corporation's strategy; fostering a corporate culture that promotes integrity and ethical values

throughout the organization; developing and motivating executive officers, and providing overall management to ensure the effectiveness of the leadership team; ensuring that succession plans are in place for the Corporation; and serving as the Corporation's chief spokesperson.

Orientation and Continuing Education

Responsibility for orientation programs for new Directors is assigned to the Corporate Governance Committee. In this regard, the Corporate Governance Committee's duties include ensuring the adequacy of the orientation and education program for new members of the Board of Directors. The Chairman of the Board and the Chief Executive Officer review with each new member: (i) information and materials regarding the Corporation, including the role of the Board of Directors and its Committees; and (ii) the legal obligations of a Director of the Corporation.

Presentations are periodically made to the Board on different aspects of the Corporation's business and operations and the industry. In addition, individual Directors can engage, in appropriate circumstances, outside advisers at the Corporation's expense with the approval of the Chairman of the Board.

Ethical Business Conduct and Compliance

The Board has adopted a Code of Business Conduct and Ethics (the "Code of Ethics") applicable to all of the Directors, Officers and Employees of the Corporation and its subsidiaries. The Code of Ethics provides a set of ethical standards for conducting the business and affairs of the Corporation with honesty, integrity and in accordance with high ethical and legal standards. The Code of Ethics sets out guidance with respect to conduct in dealing with conflicts of interest, competition and fair dealing, workplace harassment and discrimination, insider trading, protection and proper use of the Corporation's assets, confidentiality and disclosure, financial reporting, compliance with laws, customers and business partners, health and safety, political activity and reporting any illegal or unethical behaviour.

As part of the Code, a member of the Board who has a material interest in a matter before the Board or any Board committee on which he or she serves is required to disclose such interest as soon as the member of the Board becomes aware of it. In situations where a member of the Board has a material interest in a matter to be considered by the Board or a Board committee, such member of the Board must disclose such interest to the Board and may be required to absent himself or herself from the meeting while discussions and voting with respect to the matter are taking place. See also "– Board of Directors Mandate".

The Board has ultimate responsibility for monitoring compliance with the Code of Ethics and it will monitor compliance through the Corporate Governance and Nominating Committee. The Board will also be responsible for considering any waivers to the Code of Ethics.

The full text of the Code of Ethics is available on the Corporation's website at www.ftgcorp.com and the Corporation's filings at www.sedarplus.ca.

Insider Trading Policy

The Corporation's Insider Trading Policy formalizes the Corporation's policy on trading in its securities by Directors, Officers and employees and other insiders in accordance with securities laws and regulations. The Insider Trading Policy prohibits all trades by Directors, Officers, employees and agents of the Corporation and entities over which the foregoing have control when in possession of material non-public information until such information is generally disclosed for a minimum period of time. The Insider Trading Policy also imposes restrictions on trading during

prescribed blackout periods and no trade periods implemented on the trading day following completion of each fiscal quarter. The Directors, Officers, employees and agents are also prohibited from purchasing financial instruments designed to hedge or offset a decrease in the market value of the Corporation's securities, including securities granted as or underlying securities-based compensation.

Whistleblower Policy

The Board of Directors has adopted a written Whistle Blowing Policy which establishes procedures for, among other things: (i) the receipt and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, auditing matters or violations of the Code of Conduct; and (ii) the submission by employees of the Corporation, on a confidential and anonymous basis, of concerns regarding questionable accounting, auditing matters or violations of the Code of Ethics or other Corporation policies.

Director Term Limits

The Board of Directors has actively considered the issue of term limits for Directors and will continue to do so. At this time, the Board does not believe that it is in the best interest of the Corporation to establish a limit on the number of times a Director may stand for election. While such a limit could help create an environment where fresh ideas and viewpoints are available to the Board, a Director term limit could also disadvantage the Corporation through the loss of the beneficial contribution of Directors who have developed increasing knowledge of, and insight into, the Corporation and its operations, over a period of time. As the Corporation operates in a unique industry, it is difficult to find qualified Directors with the appropriate background and experience and the introduction of a Director term limit would impose further difficulty.

Diversity

The Board considers diversity as an important criteria relative to the composition of the Board. To demonstrate the Corporation's commitment to diversity, the Board has adopted a written policy concerning Board and senior management diversity (the "Diversity Policy"). The Board defines diversity as any dimension that can be used to differentiate groups and people from one another and includes, but is not limited to, gender, age, race, nationality, culture, language and other ethnic distinctions including Aboriginal peoples and members of visible minorities (each as defined in the *Employment Equity Act* (Canada) (the "EEA")), persons with disabilities, sexual orientation, education, geography and experience.

The Diversity Policy provides that in fulfilling its role in recommending candidates for Director nominations, the Corporate Governance and Nominating Committee considers candidates based on merit and against objective criteria with due regard to the benefits of diversity, but not the level of representation of any particular group beyond the Identified Groups (as defined below). At this time, the Corporation has not adopted a target regarding the representation of women on the Board, as the Board believes that arbitrary targets are not in the best interests of the Corporation. The Board is committed to nominating the best individuals to be elected as Directors of the Corporation.

In order to promote the specific objective of diversity with respect to Identified Groups, the selection process for Board appointees/nominees by the Corporation will ensure that appropriate efforts are made to include members of Identified Groups on any short-list identifying potential candidates, and if, at the end of the selection process, no members of any Identified Group are selected, the Board must be satisfied that there are objective reasons to support this determination.

Currently the Board includes one female, representing 17% of the Board and no members that are “members of a visible minority”, “persons with disabilities” or “Aboriginal peoples” (each as defined in the EEA and collectively the “Identified Groups”), representing 0% of the Board. The Board has sought out nominees from the “Identified Groups” in the past and will continue to do so for future Board vacancies. The Corporation does not believe that it is in the best interests of the Corporation or its shareholders to set any specific targets or quotas for recruiting Board members based on diversity criteria. Diversity criteria should be considered as one important aspect of the identification and selection process but should not be considered paramount to other important criteria.

Consistent with the Corporation’s approach to diversity at the Board level, the Corporation’s hiring practices include consideration of diversity across a number of areas, including gender.

Currently the members of senior management include two “members of a visible minority” (representing 25% of the members of senior management), and no members that are “women”, “persons with disabilities” or “Aboriginal peoples” (representing 0% of the members of senior management). The Corporation does not intend to establish a target regarding the number of women in executive officer or senior leadership positions. The Corporation believes promotion of diversity is best served through careful consideration of all of the abilities and attributes of each individual candidate in light of the needs of senior management without setting a target for any particular aspect of diversity. In addition, given the small size of its executive team, the Corporation believes that implementing targets would not be appropriate. However, in its hiring practices, the Corporation considers the number of women and members from Identified Groups in executive officer positions and the desirability of achieving an appropriate level of representation.

Committees

The Committees of the Board are the Audit Committee, the Corporate Governance and Nominating Committee and the Compensation Committee.

Audit Committee

The Audit Committee operates under guidelines established by the Canadian Securities Administrators. In addition to carrying out its statutory responsibilities (including the review of the Corporation’s annual financial statements prior to their presentation to the Board), the Audit Committee reviews the Corporation’s quarterly interim financial statements and ensures timely reporting by management on internal control issues. The Audit Committee discusses the Corporation’s financial affairs and results with its external auditors on an annual basis and with members of management on a quarterly basis to assist the Board in the effective discharge of its duties. The Audit Committee is currently comprised of Mr. Edward Hanna (Committee Chairman), Mr. Mike Andrade, Mr. Robert Beutel, Mr. David Masotti, and Ms. Amy Rice, all of whom are independent and financially literate as defined under NI 52-110.

The Audit Committee operates under the Charter of the Audit Committee, pursuant to which the Audit Committee assists the Board in fulfilling its oversight responsibilities with respect to: financial reporting and disclosure; ensuring that an effective risk management and financial control framework has been designed, implemented and tested by management of the Corporation; external audit processes; helping Directors meet their responsibilities; providing better communication between Directors and external auditors; enhancing the independence of the external auditors; increasing the credibility and objectivity of financial reports; and strengthening the role of Directors by facilitating in-depth discussions among Directors, management and the external auditors regarding significant issues involving judgment and impacting quality controls and reporting.

Further disclosure relating to the Audit Committee and its members is available in the Corporation's Annual Information Form ("AIF"), dated February 6, 2024, under the heading "Audit Committee". The AIF is available on SEDAR at www.sedarplus.ca.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee is comprised of Mr. David Masotti (Committee Chairman), Mr. Mike Andrade, Mr. Robert Beutel, Mr. Edward Hanna, and Ms. Amy Rice, all of whom are independent Directors. The Board has established a written charter, a copy of which can be found on the Corporation's website, setting forth the purpose, composition, authority and responsibility of the Corporate Governance and Nominating Committee consistent with the Corporation's corporate governance guidelines. In accordance therewith, the Corporate Governance and Nominating Committee is responsible for, among other things: the matters set out under the headings "Nomination of Directors", "Orientation and Continuing Education", "Assessments" and "Succession Planning"; reviewing governance policies to ensure their compliance with the applicable requirements, and where necessary, or desirable on account of governance trends that are appropriate for the Corporation, and recommending changes to the Board if appropriate; and periodically reviewing and approving the position description of the Chairman, the Chief Executive Officer and the chair of each standing committee and recommending changes to the Board if appropriate.

Compensation Committee

The Compensation Committee is comprised of Mr. Mike Andrade (Committee Chairman), Mr. Robert Beutel, Mr. Edward Hanna, Mr. David Masotti, and Ms. Amy Rice, all of whom are independent Directors. The Compensation Committee has been established to monitor the compensation of senior management of the Corporation. The Board has established a written charter, a copy of which can be found on the Corporation's website, setting forth the purpose, composition, authority and responsibility of the Compensation Committee consistent with the Corporation's corporate governance guidelines.

In accordance therewith, the Compensation Committee is responsible for, among other things: reviewing the long-term goals and objectives of the Corporation in relation to compensation; reviewing and recommending to the Board the organizational goals and objectives relevant to the compensation of the Chief Executive Officer and evaluating the Chief Executive Officer's performance; reviewing and recommending to the Board the compensation of the Chief Executive Officer and, based on the recommendation of the Chief Executive Officer, the other members of the executive management group, including salary, incentive compensation plans, equity-based plans, the terms of any employment agreements, severance arrangements and change of control arrangements or provisions; overseeing the administration of any incentive compensation or equity-based plans of the Corporation; and considering the potential risks associated with the adoption of the Corporation's compensation policies and practices and the adoption of particular organizational and individual objectives under such policies and practices.

Assessments

The Corporate Governance and Nominating Committee is responsible for assessing the effectiveness of the Board as a whole and the Committees of the Board. Each Director is required to complete, on an annual basis, a written evaluation with respect to: (i) the awareness of the responsibilities of the Board and its Committees; (ii) the degree of satisfaction with the operations of the Board; and (iii) the effectiveness of the Board and its Committees. The Corporate

Governance and Nominating Committee periodically reviews the evaluations with the Chairman of the Board and the results of the evaluations are summarized and presented to the full Board.

Succession Planning

The Board will annually review the succession plans of the Corporation for the Chairman of the Board. The Corporate Governance and Nominating Committee periodically review and make recommendations to the Board with respect to succession planning matters concerning the Chief Executive Officer and other senior management. The Board periodically reviews the recommendations of the Corporate Governance and Nominating Committee and if applicable, develops the succession plans for the Corporation.

Response to Shareholders

The Corporation communicates regularly with its shareholders. Management is available to shareholders to respond to questions and concerns on a prompt basis. The President and Chief Executive Officer and the Chief Financial Officer of the Corporation are the members of management primarily responsible for investor relations.

Expectations of Management

The Board reviews and approves annually the corporate objectives of the Chief Executive Officer. Together with the written position description, these objectives constitute the Chief Executive Officer's mandate for each year. The Board obtains access to information relating to the Corporation's operations through the membership on the Board of the Chief Executive Officer and by the attendance at Board and Committee meetings of other members of management at the request of the Board and its Committees. The Board and the management of the Corporation take the initiative in identifying opportunities and risks affecting the Corporation's business and finding ways to deal with these opportunities and risks for the benefit of the Corporation. The Board believes that the Corporation's management responds adequately to this responsibility.

5. *Directors' and Officers' Liability Insurance*

The Corporation has purchased insurance for the benefit of the Corporation's and its subsidiaries' Directors and Officers against any liability incurred by such individuals in their capacity as Directors and Officers, subject to certain limitations contained in the CBCA. During fiscal 2023, the policy provided coverage to Directors and Officers in an aggregate amount of \$10.0 million. Premiums in the amount of \$51,560 were paid by the Corporation in fiscal 2023. In fiscal 2023, the maximum deductible under the policy was \$50,000 for securities related claims and \$50,000 in respect of any other claims against the Corporation.

The by-laws of the Corporation provide for the indemnification of Directors and Officers from and against any liability and costs incurred in connection with any action or suit against such individuals in respect of the execution of their duties of office, subject to the limitations contained in the CBCA.

V. *COMPANY EXECUTIVES AND EXECUTIVE COMPENSATION*

The Chief Executive Officer, Chief Financial Officer and the Corporation's other three most highly compensated executive Officers at the end of fiscal 2023 whose total compensation was, individually, more than \$150,000 (collectively, the "Named Executive Officers" or "NEOs") are as follows:

Bradley C. Bourne - President & Chief Executive Officer ("CEO")

James Crichton	- Vice President, Chief Financial Officer (“CFO”) & Corporate Secretary
Shawn Thompson	- Vice President and General Manager of FTG Circuits & FTG Aerospace, Chatsworth
Peter P. Dimopoulos	- Vice President, Business Development
Brandon Kuecker	- General Manager of FTG Aerospace Tianjin Inc.

1. Compensation Discussion and Analysis

This Compensation Discussion and Analysis describes and explains the significant elements of compensation awarded to, earned by, paid to, or payable to the NEOs for fiscal 2023.

The Compensation Committee of the Board of Directors is responsible for making recommendations for approval by the Board of Directors with respect to the remuneration of executives of the Corporation. The President and Chief Executive Officer is responsible for recommending the level of compensation of the executives of the Corporation. The President and Chief Executive Officer presents his executive compensation recommendations to the Compensation Committee, which reviews and approves such recommendations or, in consultation with the President and Chief Executive Officer, varies the recommendations. The President and Chief Executive Officer does not determine his own salary. The compensation of the President and Chief Executive Officer is determined by the Compensation Committee based on the attainment of objectives set by the Board that are consistent with the Corporation’s strategic direction.

The executive compensation policy established by the Board has been designed to provide executives with performance-based compensation. Salaries of the Corporation’s executives are competitive with the market. Bonuses are awarded based on achievement of financial, operating and personal objectives.

The Corporation’s compensation decisions for fiscal 2023 were made by the Compensation Committee. The members of the Compensation Committee are considered by the Board to be unrelated to the Corporation. All Directors who served on the Compensation Committee during fiscal 2023 are independent Directors for the purposes of NI 58-201. See disclosure under the heading “Board of Directors – Statement of Corporate Governance Practices”.

All executive compensation components are reviewed annually by the Compensation Committee and subject to approval of the Board, as appropriate.

When determining the compensation level for the President and Chief Executive Officer, the Compensation Committee takes into consideration a variety of factors including the overall financial and operating performance of the Corporation and the Compensation Committee’s and the Board’s overall assessment of: (i) the Chief Executive Officer’s individual performance and contribution towards meeting corporate objectives; (ii) the Chief Executive Officer’s level of responsibility; (iii) the Chief Executive Officer’s length of service; and (iv) industry comparables.

When determining individual compensation levels for other NEOs, the President and Chief Executive Officer takes into consideration a variety of factors, including, the overall financial and operating performance of the business unit or corporate function and the assessment of: (i) the executive Officer’s individual performance and contribution towards meeting corporate objectives; (ii) the executive Officer’s level of responsibility; (iii) the executive Officer’s length of service; and (iv) industry comparables.

Risk Assessment of Compensation Programs

The Compensation Committee has responsibility for the oversight of the Corporation's risk management, in relation to all aspects of compensation. In this regard, the Compensation Committee oversees the Corporation's compensation programs to ensure they do not encourage individuals to take inappropriate or excessive risks that could have a materially adverse effect on the Corporation. The Board, in collaboration with the Compensation Committee, considered the compensation programs of the Corporation to ensure that significant controls are in place to monitor and separate decision authorities related to key risks associated with incentive plans. They also endeavoured to ensure that the size of the rewards related to any given metric within the influence of a key decision maker was not significant enough to encourage excessive risk taking, and that the Corporation's compensation policies and practices are unlikely to have a materially adverse impact on the Corporation.

The Board has adopted a clawback policy (the "Clawback Policy") relating to any bonus, equity-based or other incentive-based compensation awarded or granted on or after January 1, 2023 to the Corporation's executive officers, including the Named Executive Officers, and all of the Corporation's vice-presidents (the "Specified Officers"), as an additional approach to mitigate compensation risk. The Clawback Policy provides that the independent Directors of the Board will determine the extent of reimbursement of such compensation received by a Specified Officer required in the event of a restatement of the Corporation's financial statements included in the Corporation's public disclosure documents due to the Specified Officer having engaged in prohibited conduct causing the need for the restatement.

Compensation Philosophy

The total compensation program for senior executives of the Corporation presently includes four components: (1) base salary, (2) a short-term incentive plan ("STIP") consisting of an annual cash bonus based on performance, (3) a long-term incentive plan consisting of the Share Unit Plan, and (4) benefits and other perquisites.

The compensation philosophy of the Corporation has four primary objectives:

1. to attract, motivate and retain executives of the highest quality;
2. to recognize performance through individual executive compensation;
3. to maintain a system of compensation that is competitive with industry standards; and
4. to provide incentives based on value delivered to the Corporation and its shareholders.

Salary

Base salaries of executive Officers are reviewed annually and are intended to adequately remunerate executives for properly fulfilling the requirements of their respective positions. The salaries of the executives of the Corporation are believed to be competitive with similar positions at corporations of comparable size engaged in similar businesses within the regions in which the Corporation operates.

STIP - incentive to support the short-term business results:

A. Plan Objectives

The objectives of the STIP are:

1. To align the rewards of the executive team with the annual performance of the business;
2. To provide rewards that encourage and motivate high performance;

3. To align the interests of its executives with the interests of the Corporation and shareholders;
4. To be competitive with other companies of similar size and scope of operations so as to attract and retain talented executives; and
5. To foster and reward teamwork that encourages setting and achieving aggressive business targets.

B. Eligibility and Participation

- All executive team members (including all NEOs) and selected other management members are eligible to participate in the STIP.
- To participate in the STIP each individual must achieve a minimally acceptable individual performance rating to receive any payouts under STIP.
- The individual participant must be an employee at FTG at the time of bonus payment to be eligible to receive the bonus payout.
- Participants who start during the year will receive a pro-rated bonus based on the number of months employed at FTG during its fiscal year.
- If after the performance targets are established for the performance period, an accounting change(s) occurs in the applicable accounting principles or practices, the amount of the bonus paid under the STIP for such performance shall be determined without regard to such change.

C. STIP Performance Measures

The Board of Directors will determine payout levels in relation to established targets. Listed below are the respective targets for fiscal 2023.

For the Corporate members, the STIP performance measures are as follows:

Eligible Participants	Profit After Tax	Cash Flow	Growth	Individual Performance
CEO CFO	35%	35%	NA	30%
VP, Business Development	35%	NA	35%	30%
Other Corporate Staff	20%	20%	NA	60%

For site members the plan performance measures are as follows:

Eligible Participants	Site Profit Before tax	Site Cash Flow	Corporate Profit After Tax	Quality, Delivery and Individual Performance
Site Leader	30%	10%	10%	50%
Site Directors	20%	20%	NA	60%

The performance compensation pool is based on achieving the profit performance targets. The payout is automatic for the financial or growth targets based on achieving them while the remainder is paid out based on achieving individual performance goals.

The threshold, target and maximum payouts for the profit component of the STIP are as follows:

	Profit - % of Budget	Payout % of Target
Below Threshold	-	0%
Threshold	75%	50%
Target	100%	100%
Maximum	130%	150%

The threshold, target and maximum payouts for the cash flow component of the STIP are as follows:

	Cash Flow - % of Budget	Payout % of Target
Below Threshold	-	0%
Threshold	75%	50%
Target	100%	100%
Maximum	130%	150%

Financial Performance Measure Definitions:

Profit:

- Bottom line profitability after all sources of income and expenses are included, but excluding any unplanned extraordinary items. The measurement will be after tax for corporate profit and before tax for site profit.

Cash Flow:

- Cash flow from operations less capital expenditures, deferred development investments and lease liability payments, excluding any unplanned extraordinary items.

Growth:

- Year-over-year change in sales of the Corporation.

The threshold, target and maximum payouts for the individual performance component of the STIP are as follows:

Payout % of Target
$100\% * \frac{\text{Objectives achieved on time}}{\text{Objectives planned}} + 50\% * \frac{\text{Objectives achieved late}}{\text{Objectives planned}} + 0\% * \frac{\text{Objectives Not Achieved}}{\text{Objectives Planned}}$
Individual performance payout only eligible if Threshold Profit Target achieved at Site or Corporate (as appropriate for the individual)

Bonus Targets by Executive Level (as a % of base salary):

Eligible Participants	Threshold	Target	Max
President and CEO	25.0%	50.0%	75.0%
CFO	15.0%	30.0%	45.0%
VP, Business Development	20.0%	40.0%	60.0%
Site Leaders	15.0%	30.0%	45.0%
Corporate Staff VPs	10.0%	20.0%	30.0%
Corporate and Site Directors	5.0-7.5%	10.0-15.0%	15.0-22.5%

For fiscal 2023, the Corporation met the maximum performance level for Profit After Tax, and exceeded the threshold performance level for Cash Flow and consequently, bonuses for Profit After Tax and Cash Flow at the Corporate level were awarded to the CEO, CFO and VP, Business Development. The bonus paid to the VP, Business Development also reflects that the Corporation exceeded its target for Growth. Bonuses awarded to the remaining NEOs by the Board were based on the Corporation's achievement of Profit and Cash flow objectives, relevant Site financial metrics relative to 2023 business plan goals and achievement of personal objectives, where applicable. (See Section V. – Executive Compensation, Summary Compensation Table, (3) Annual Incentive Plans.)

Long-Term Incentive Plan

The Corporation is utilizing the Share Unit Plan as its long-term incentive plan for NEOs and key employees. All grants of share units are recommended by the Compensation Committee and approved by the Board of Directors. See “Company Executives and Executive Compensation – Equity Compensation Plan Information – Share Unit Plan” for a description of the Corporation's Share Unit Plan.

The President and Chief Executive Officer assesses the contributions that individual executives and employees have made to long-term shareholder value and proposes share unit grants to the Compensation Committee. In formulating such proposals, the President and Chief Executive Officer consider previous share unit grants awarded to the employees and executives. The Compensation Committee review the grant proposals and makes grant recommendations to the Board of Directors.

The Performance condition for PSUs is cumulative profit of the Corporation over the three-year vesting period as compared to the Corporation's target established for that period, with partial vesting possible if certain thresholds are achieved. PSU grantees forfeit awards in the event of voluntary termination of their employment or termination for cause.

Benefits and Other Perquisites

NEOs are entitled to receive group insurance benefits on substantially the same basis as other employees of the Corporation. In 2023, the Corporation paid for the lease and operating costs of vehicles for Mr. Bourne, Mr. Crichton and Mr. Dimopoulos and a car allowance for Mr. Thompson. Pursuant to their employment agreements, Mr. Bourne, Mr. Crichton and Mr. Dimopoulos were eligible to receive an amount representing up to 10%, 5% and 5% respectively, of their base salary to purchase Common Shares of the Corporation over the Toronto Stock Exchange (the “TSX”).

Fiscal 2023 Executive Compensation Rationale

Salary

Mr. Bourne became President and Chief Executive Officer of the Corporation on January 9, 2004. In determining Mr. Bourne's salary, the Compensation Committee considers issues such as Mr. Bourne's achievement of personal and corporate objectives, the Corporation's financial performance, share price performance, leadership, corporate development initiatives, management development and succession, employee relations, and “Operational Excellence” which includes customer service, delivery and product quality.

Short-Term Incentives

Incentive bonuses for fiscal 2023 were calculated based on the STIP described above. The percentages of NEOs salary constituting the target bonus amounts were determined by the Compensation Committee taking into account historical and current market practices. All of the performance measures for the STIP, namely Profit After Tax, Cash Flow, sales growth and individual performance goals, were established during the fiscal 2023 plan which was set prior to the beginning of the fiscal year. The targets set for the business were thought to be aggressive but achievable, provided management executed upon its plan.

At the Corporate level, the Corporation met the maximum performance level for Profit After Tax, exceeded the threshold performance level for Cash Flow, and exceeded the target performance level for Growth, relative to the 2023 business plan performance targets. Bonuses awarded to the NEOs by the Board were approved based on performance of Corporate objectives and, where applicable, Site financial metrics relative to 2023 business plan goals and achievement of personal objectives. The Individual Performance varied by individual NEOs and Site Leaders and Site Directors achievements varied by site.

Long-Term Incentives

As part of the employment contract negotiated with Mr. Bourne at the time he became President and Chief Executive Officer of the Corporation in January of 2004, the Corporation agreed to provide a long-term incentive plan (see “Company Executives and Executive Compensation – Equity Compensation Plan Information – Share Unit Plan” below for a discussion of the Corporation’s Share Unit Plan) that was intended to provide adequate incentive to achieve the Corporation’s goals over the mid-term. Mr. Bourne was awarded 20,000 Performance Share Units (“PSUs”) in fiscal 2023.

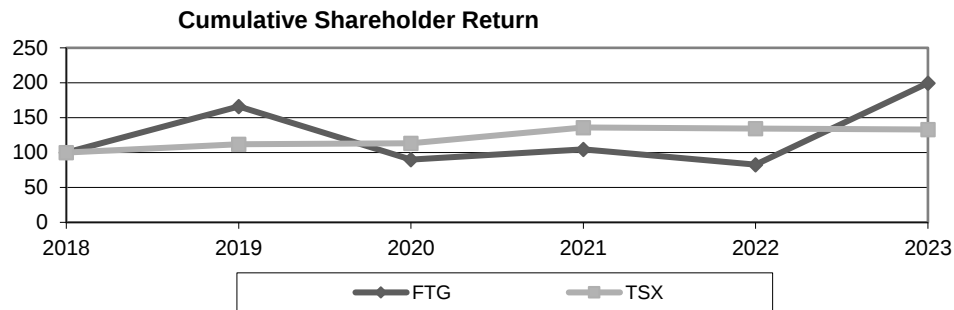
Hedging

Under the terms of the Corporation’s Insider Trading Policy, the Directors and Officers (including the NEOs) and employees of the Corporation are prohibited from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by any Director or Officer (including the NEOs).

2. *Performance Graph*

The following graph compares the yearly percentage change in the Corporation’s cumulative total shareholder return on its Common Shares with the cumulative total return of the S&P/TSX Composite Index (the “S&P/TSX Index”) over the five most recently completed financial years. The graph illustrates the cumulative total shareholder return on a \$100 investment in Common Shares made on November 30, 2018 as compared with the cumulative return on a \$100 investment in the S&P/TSX Index made on November 30, 2018. The Common Share performance as set out in the graph does not necessarily indicate future price performance.

Comparison of Total Return between the Corporation and the S&P/TSX Index



	November 30, 2018	November 30, 2019	November 30, 2020	November 30, 2021	November 30, 2022	November 30, 2023
FTG	\$100	\$166	\$90	\$104	\$83	\$200
S&P/TSX Index	\$100	\$112	\$113	\$136	\$135	\$133

Aggregate compensation levels for Named Executive Officers has increased from 2018 to 2023, in part from granting awards under the Long Term Incentive Plan on an annual basis, as opposed to a triennial basis, and in part due to higher STIP awards which are substantially tied to annual financial performance of the Corporation. The Corporation's approach to compensation, as discussed earlier in the document, is designed to promote long-term growth and profitability. The NEOs are compensated on the basis of metrics the Corporation considers to be fundamental, namely the Corporation's growth, profitability, cash flow and achievement of personal goals, rather on the basis of factors tied to the performance of the Corporation's Common Shares in the market.

3. *Executive Compensation*

Summary Compensation Table

The following table sets forth information concerning the compensation earned in Canadian dollars during fiscal 2023, fiscal 2022 and the fiscal year ended November 30, 2021 ("fiscal 2021") by the NEOs.

Name and Principal Position	Financial Year	Salary (\$)	Share-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation		Pension value (\$)	All other compensation ⁽³⁾ (\$)	Total compensation (\$)
				Annual incentive plans ⁽²⁾ (\$)	Long-term incentive plans (\$)			
Bradley C. Bourne ⁽⁴⁾ <i>President & CEO</i>	2023	338,250	60,200	195,393	-	-	14,882	608,725
	2022	338,250	47,000	31,402	-	-	49,633	466,285
	2021	338,250	40,400	-	-	-	49,081	427,731
Jamie Crichton <i>Vice President, CFO & Secretary</i>	2023	216,300	30,100	74,148	-	-	29,683	350,231
	2022	216,300	23,500	18,980	-	-	28,343	287,123
	2021	210,000	20,200	15,000	-	-	28,465	273,665
Peter P. Dimopoulos <i>Vice President, Business Development</i>	2023	236,900	30,100	120,851	-	-	20,251	408,102
	2022	236,900	23,500	43,765	-	-	14,921	319,086
	2021	230,000	20,200	15,000	-	-	14,724	279,924
Shawn Thompson <i>Vice President and General Manager of FTG Circuits & FTG Aerospace, Chatsworth</i>	2023	283,696	22,575	33,552	-	-	8,106	347,929
	2022	271,908	17,625	18,627	-	-	7,522	315,682
	2021	263,256	20,200	-	-	-	7,522	290,978
Brandon Kuecker <i>General Manager, FTG Aerospace Tianjin Inc.</i>	2023	208,044	22,575	91,736	-	-	-	322,355
	2022	211,799	17,625	74,974	-	-	-	304,399
	2021	175,504	15,150	60,663	-	-	-	251,317

- (1) The grant date value of the PSUs granted during fiscal 2023 was based on the average and high and low price of the Common Shares on the TSX on the date of the grant of \$3.01 per unit. This is a non-cash value. PSUs were granted on March 11, 2023 and are expected to fully vest on February 28, 2026 or upon approval of fiscal year 2025 financial results by the Board of Directors.
- (2) The amounts in this column represent bonuses earned in the indicated year under the Corporation's STIP.
- (3) The amounts in this column consist of benefits accruing to the NEOs in respect of partial reimbursement of Common Shares purchased pursuant to their employment agreements, automobile allowances, and premiums on life insurance policies purchased by the Corporation through its benefit program.
- (4) As an Officer of the Corporation, Mr. Bourne received no additional compensation as a result of serving in the capacity of a Director of the Corporation.
- (5) Mr. Thompson and Mr. Kuecker are compensated in U.S. dollars which have been converted to Canadian dollars using the average yearly rate of 1.3509 for 2023, 1.2948 for 2022 and 1.2436 for 2021, respectively.

Incentive Plan Awards

Outstanding share-based awards

The following table sets out the outstanding share-based awards in favour of the NEOs as at November 30, 2023.

Name	Share-based Awards:		
	Number of shares or share units that have not vested (#) ^{(1) (2)}	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Bradley C. Bourne	60,000	269,400	-
Jamie Crichton	30,000	134,700	-
Peter Dimopoulos	30,000	134,700	-
Shawn Thompson	25,000	112,250	-
Brandon Kuecker	22,500	101,025	-

(1) Vesting of PSUs are conditional upon performance and service conditions.

(2) Subsequent to November 30, 2023, 7,600 PSUs previously granted to Mr. Bourne, 3,800 PSUs previously granted to each of Mr. Crichton, Mr. Dimopoulos and Mr. Thompson, and 2,850 PSUs previously granted to Mr. Kuecker were cancelled as the underlying performance conditions were partially achieved.

Incentive plan awards – value vested or earned during the year

There were no incentive plan awards vested or earned by the NEOs during fiscal 2023.

4. *Equity Compensation Plan Information*

The following tables set out information concerning the number and price of securities to be issued under equity compensation plans to Directors, Officers, and employees of the Corporation and others as discussed below under the heading “Share Unit Plan”.

Category		Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (as at November 30, 2023) (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (as at November 30, 2023) (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a)) (as at November 30, 2023) (c)
Equity Compensation Plans Approved by Security holders	Share Unit Plan	258,750	N/A	979,820
Equity Compensation Plans Not Approved by Security holders		-	-	-
TOTAL		253,958	N/A	979,820

Share Unit Plan

The purposes of the Share Unit Plan are (a) to promote a further alignment of interests between employees and shareholders of the Corporation; (b) to associate a portion of employees’

compensation with the returns achieved by shareholders of the Corporation; and (c) to attract and retain employees with the knowledge, experience and expertise required by the Corporation.

The following is a summary of the terms of the Share Unit Plan.

The Share Unit Plan provides that the Compensation Committee may, in its sole and absolute discretion, award grants of PSUs and restricted share units (“RSUs” and referred to in this Circular, together with PSUs, as “Share Units”) to any individual employed by the Corporation or any of the Corporation’s subsidiaries, partnerships, trusts or other controlled entities, who, by the nature of his position or job, is in the opinion of the Compensation Committee, in a position to contribute to the success of the Corporation (which individuals may include Officers, employees and consultants of the Corporation) (the “Participants”).

A PSU is a right granted to a Participant in accordance with the Share Unit Plan to receive a Common Share, that generally becomes vested subject to the attainment of certain performance conditions (including, financial, personal, operational or transaction-based performance criteria as may be determined by the Compensation Committee) (“Performance Conditions”) and satisfaction of such other conditions to vesting, if any, as may be determined by the Compensation Committee. A vested PSU may be settled in cash, Shares bought on the open market or Shares issued from treasury, as determined by the Compensation Committee.

An RSU is a right granted to a Participant in accordance with the Share Unit Plan to receive a Common Share that generally becomes vested following a period of continuous employment of the Participant with the Corporation. A vested RSU may be settled in cash, Shares bought on the open market or Shares issued from treasury, as determined by the Compensation Committee.

In determining the Participants to whom grants are to be made and the grant value for (and accordingly the number of Share Units to be covered by) each grant (subject to adjustment in accordance with any conditions relating to continued service with the Corporation or Performance Conditions), the Compensation Committee shall take into account the terms of any written employment agreement of a Participant and may take into account such other factors as it shall determine in its sole and absolute discretion. With respect to any grant, the vesting period shall be not later than December 15 of the third year following the year in which the Participant performed the services to which the grant relates, unless otherwise determined by the Compensation Committee.

In awarding a grant of Share Units to a Participant, the Corporation and the Participant shall enter into a grant agreement (“Grant Agreement”). Each Grant Agreement shall set forth, at a minimum, the type of Share Units and grant date of the grant evidenced thereby, the number of PSUs or RSUs subject to such grant, the applicable vesting conditions, the applicable vesting period(s) and the treatment of the grant upon termination and may specify such other terms and conditions consistent with the Share Unit Plan as the Compensation Committee shall determine or as shall be required by any other provision of the Share Unit Plan.

The maximum number of Common Shares which may be issued pursuant to the Share Unit Plan is 1,780,320, representing approximately 7.4% of the aggregate Common Shares issued and outstanding as at November 30, 2023. No one Participant may receive any grant which, together with all grants then held by such Participant, would permit such Participant to be issued a number of Common Shares which is greater than 5% of the total outstanding Common Shares. The number of Common Shares issued to insiders of the Corporation, within any one year period, under all

security based compensation arrangements of the Corporation, shall not exceed 10% of the total outstanding Common Shares.

As at November 30, 2023, the Corporation has issued 258,750 PSUs to eligible individuals; which remain outstanding, representing approximately 1.1% of the aggregate Common Shares issued and outstanding as at November 30, 2023.

During the year-ended November 30, 2021, 98,000 additional PSUs were granted to eligible individuals, 84,750 of which remain outstanding as at November 30, 2023. Based on partial achievement of the relevant performance criteria, the Board of Directors approved vesting of 52,545 PSUs as of February 28, 2024.

During the year-ended November 30, 2022, 90,000 additional PSUs were granted to eligible individuals, 83,750 of which remain outstanding as at November 30, 2023. These PSUs are expected to fully vest on February 28, 2025 or upon approval of fiscal year 2024 financial results by the Board of Directors.

During the year-ended November 30, 2023, 90,000 additional PSUs were granted to eligible individuals, 90,000 of which remain outstanding as at November 30, 2023. These PSUs are expected to fully vest on February 28, 2026 or upon approval of fiscal year 2024 financial results by the Board of Directors.

Following these grants, the maximum number of Common Shares which remain available for grant under the Share Unit Plan was 979,820, representing approximately 4.1% of the aggregate Common Shares issued and outstanding as at November 30, 2023. The annual burn rate of Share Units granted under the Share Unit Plan in respect of: (i) fiscal 2023 was 0.4%; (ii) fiscal 2022 was 0.4%; (iii) fiscal 2021 was 0.4%. The “annual burn rate” is calculated by taking the number of Share Units granted under the Share Unit Plan during the applicable fiscal year divided by the weighted average number of securities outstanding for the applicable fiscal year.

Subject to the terms of the Participant’s written employment agreement and the relevant Grant Agreement, in the event of the Participant’s termination without cause, death or disability prior to the end of a vesting period relating to a grant, the number of RSUs that vest, if any, shall be determined by a formula as more particularly described in the Share Unit Plan, and the number of PSUs that vest, if any, shall be determined in accordance with the Grant Agreement governing the PSUs.

Subject to the terms of the Participant’s written employment agreement and unless otherwise determined by the Compensation Committee, in the event of the Participant’s termination for cause or resignation, no Share Units that have not vested and been settled prior to the date of termination or resignation, as the case may be, shall vest and all such Share Units shall be forfeited immediately. In the event of a Change of Control (as defined in the Share Unit Plan) the terms of the Participant’s written employment agreement and the relevant Grant Agreement will apply.

The Share Unit Plan and any grant made pursuant to the Share Unit Plan may be amended, modified or terminated by the Board of Directors without approval of the shareholders, provided that no amendment to the Share Unit Plan or grants made pursuant to the Share Unit Plan may be made without the consent of a Participant if it adversely alters or impairs the rights of the Participant in respect of any grant previously granted to such Participant under the Share Unit Plan, except that Participant consent shall not be required where the amendment is a requirement for purposes of

compliance with applicable laws. For greater certainty, the following may not be amended without shareholder approval in accordance with the requirements of any applicable stock exchange:

- (a) increase in the number of Common Shares reserved for issuance pursuant to the Share Unit Plan;
- (b) amendment provisions granting additional powers to the Board of Directors to amend the Share Unit Plan or entitlements without shareholder approval;
- (c) the insider participation limits set forth in the Share Unit Plan; or
- (d) any extension of the term of Share Units held by insiders.

For greater certainty and without limiting the foregoing, shareholder approval is not required for the following amendments and the Board of Directors may make the following changes without shareholder approval, subject to any regulatory approvals including, where required, the approval of any stock exchange:

- (a) amendments of a “housekeeping” nature;
- (b) a change to the vesting provisions of any grants of Share Units;
- (c) a change to the termination provisions of any grant of Share Units that does not entail an extension beyond the original term of the grant of Share Units; or
- (d) amendments to the provisions relating to a Change of Control.

No assignment or transfer of the Share Units is permitted, other than pursuant to the designation of a beneficiary as set out in the Share Unit Plan or by operation of law.

Other Security-Based Compensation Arrangements

There are currently no other security-based compensation arrangements.

Equity Holding Requirements

There are no equity holding requirements other than noted above under “Board of Directors - Compensation of Directors”.

Pension Plan Benefits

There is no pension plan in place for any of the NEOs of the Corporation.

5. *Termination and Change of Control Benefits*

The employment agreements of the Corporation’s NEOs, discussed below, provide for certain payments and/or benefits in the event of termination of their employment in particular scenarios.

Bradley C. Bourne

Mr. Bourne is employed by the Corporation pursuant to written employment contract with an indefinite term. This agreement provides for Mr. Bourne’s annual base salary and bonus, and for other benefits (see chart above under the heading “Company Executives and Executive Compensation – Executive Compensation – Summary Compensation Table” for details of such compensation).

The employment contract of Mr. Bourne provides that in the event he is terminated without cause, he will be entitled to an amount equal to fifteen months of base salary. Based on his current base salary, the amount would be \$422,813. Mr. Bourne shall also receive car benefit continuation and

all benefits provided by the Corporation with the exception of long-term disability for up to 15 months or until alternative employment is found, whichever occurs first. Mr. Bourne shall receive the same termination benefits if the Corporation or its Directors make a material adverse change in the position, compensation or scope of his responsibilities as President and Chief Executive Officer of the Corporation.

The following table sets out the compensation entitlements that would be payable to Mr. Bourne if such executive's employment contract were terminated on November 30, 2023:

Triggering Event	Base Salary (\$)	Bonus (\$)	Total (\$)
Termination Without Cause	422,813	-	422,813
Material Adverse Change	422,813	-	422,813

Jamie Crichton

Mr. Crichton is employed by the Corporation pursuant to written employment contract for an indefinite term. This agreement provides for Mr. Crichton's annual base salary and bonus, and for other benefits (see chart above under the heading "Company Executives and Executive Compensation – Executive Compensation – Summary Compensation Table" for details of such compensation).

The employment contract of Mr. Crichton provides that in the event he is terminated without cause, he will be entitled to an amount equal to nine months base salary. Based on his current base salary, the amount would be \$162,225. Mr. Crichton shall also receive car benefit continuation, bonus and all benefit continuation in lieu of notice for the same severance period.

Mr. Crichton has the responsibility to mitigate the termination entitlement through efforts to secure alternate employment. In the event such alternate employment is attained, the termination entitlement shall be reduced by 50% of the difference between the salary received and the termination settlement, for the remaining period of the termination entitlement.

Mr. Crichton shall also receive the termination benefits described above if the Corporation or its Directors make any material adverse change in the position, compensation or scope of Mr. Crichton's responsibilities unless agreed and accepted by Mr. Crichton.

The following table sets out the compensation entitlements that would be payable to Mr. Crichton if such executive's employment contract were terminated on November 30, 2023.

Triggering Event	Base Salary (\$)	Bonus (\$)	Total (\$)
Termination Without Cause	162,225	-	162,225
Material Adverse Change	162,225	-	162,225

Peter Dimopoulos

Mr. Dimopoulos is employed by the Corporation pursuant to written employment contract for an indefinite term. This agreement provides for Mr. Dimopoulos' annual base salary and bonus, and for other benefits (see chart above under the heading "Company Executives and Executive Compensation – Executive Compensation – Summary Compensation Table" for details of such compensation).

The employment contract of Mr. Dimopoulos provides that in the event he is terminated without cause, he will be entitled to an amount equal to twelve months base salary. Based on his current base salary, the amount would be \$236,900, Mr. Dimopoulos shall also receive car benefit continuation, bonus and all benefit continuation in lieu of notice for the same severance period.

Mr. Dimopoulos has the responsibility to mitigate the termination entitlement through efforts to secure alternate employment. In the event such alternate employment is attained, the termination entitlement shall be reduced by 50% of the difference between the salary received and the termination settlement, for the remaining period of the termination entitlement.

The following table sets out the compensation entitlements that would be payable to Mr. Dimopoulos if such executive's employment contract were terminated on November 30, 2023.

Triggering Event	Base Salary (\$)	Bonus (\$)	Total (\$)
Termination Without Cause	236,900	-	236,900
Material Adverse Change	236,900	-	236,900

Shawn Thompson

Mr. Thompson is employed by the Corporation pursuant to written employment contract for an indefinite term. This agreement provides for Mr. Thompson's annual base salary and bonus, and for other benefits (see chart above under the heading "Company Executives and Executive Compensation – Executive Compensation – Summary Compensation Table" for details of such compensation).

The employment contract of Mr. Thompson provides that in the event he is terminated without cause, he will be entitled to an amount equal to three months base salary. Based on his current base salary, the amount would be US\$52,500, Mr. Thompson shall also receive car allowance continuation, and all benefit continuation in lieu of notice for the same severance period.

Mr. Thompson has the responsibility to mitigate the termination entitlement through efforts to secure alternate employment. In the event such alternate employment is attained, the termination entitlement shall be reduced by 50% of the difference between the salary received and the termination settlement, for the remaining period of the termination entitlement.

The following table sets out the compensation entitlements that would be payable to Mr. Thompson if such executive's employment contract were terminated on November 30, 2023.

Triggering Event	Base Salary (US\$)	Bonus (US\$)	Total (US\$)
Termination Without Cause	52,500	-	52,500

Brandon Kuecker

Mr. Kuecker is employed by the Corporation pursuant to written employment contract for an indefinite term. This agreement provides for Mr. Kuecker's annual base salary and bonus, and for other benefits (see chart above under the heading "Company Executives and Executive Compensation – Executive Compensation – Summary Compensation Table" for details of such compensation).

The employment contract of Mr. Kuecker provides that in the event he is terminated without cause, he will be entitled to an amount equal to six months base salary. Based on his current base salary, the amount would be US\$77,000, Mr. Kuecker shall also receive benefit continuation in lieu of notice for the same severance period and a pro rated bonus payment for any bonus earned up to the date of termination.

Mr. Kuecker has the responsibility to mitigate the termination entitlement through efforts to secure alternate employment. In the event such alternate employment is attained, the termination entitlement shall be reduced by 50% of the difference between the salary received and the termination settlement, for the remaining period of the termination entitlement.

The following table sets out the compensation entitlements that would be payable to Mr. Kuecker if such executive's employment contract were terminated on November 30, 2023.

Triggering Event	Base Salary (US\$)	Bonus (US\$)	Total (US\$)
Termination Without Cause	77,000		77,000

VI. OTHER IMPORTANT INFORMATION

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Since the beginning of the most recently completed fiscal year, no informed person of the Corporation and no nominee for election as a Director, nor associate or affiliate of any informed person or nominee, has or has had any material interest, direct or indirect, in any transaction or proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

SHAREHOLDER PROPOSAL DEADLINE

Persons entitled to vote at the annual meeting of shareholders of the Corporation to be held in 2024 who wish to submit a proposal for consideration at that meeting must submit their proposals to the Corporation during the 60 day period beginning on November 21, 2023.

AVAILABLE INFORMATION

The Corporation will provide to any person without charge upon request to the Chief Financial Officer of the Corporation, Firan Technology Group Corporation, 250 Finchdene Square, Toronto, Ontario, M1X 1A5, a copy of:

- the latest AIF of the Corporation filed with the securities commissions or similar authorities in Canada;
- this Circular;
- the comparative audited consolidated financial statements of the Corporation as at and for the year ended November 30, 2023 (together with the management's discussion and analysis of the financial condition and results of operations of the Corporation as at and for the year ended November 30, 2023); and

- any interim report to shareholders containing unaudited consolidated financial statements of the Corporation issued after November 30, 2023 (together with the management's discussion and analysis of the financial condition and results of operations of the Corporation as at such date).

Financial information for the Corporation's most recently completed financial year, being fiscal 2023, is provided in the Corporation's comparative audited consolidated financial statements as at and for the year ended November 30, 2023, and the management's discussion and analysis of the financial condition and results of operations of the Corporation as at and for the year ended November 30, 2023.

Additional information relating to the Corporation is available on the Corporation's website, www.ftgcorp.com and on SEDAR at www.sedarplus.com.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Circular other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect the current expectations of the Corporation. These statements include without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the Corporation, as well as the outlook for North American and international economies, for the current fiscal year and subsequent periods. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as “expects”, “anticipates”, “plans”, “believes”, “estimates”, “seeks”, “considers”, “intends”, “targets”, “projects”, “forecasts” or negative versions thereof and other similar expressions, or future or conditional verbs such as “may”, “will”, “should”, “would” and “could”. Forward-looking statements are provided for the purpose of conveying information about management’s current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes.

Forward-looking information is based upon certain material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking statements, including the Corporation’s perception of historical trends, current conditions and expected future developments as well as other factors the Corporation believes are appropriate in the circumstances.

By its nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of material factors, many of which are beyond the Corporation’s control, affect the operations, performance and results of the Corporation and its business, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: : impact or unanticipated impact of general economic, political and market factors in North America and internationally; intense business competition and uncertain demand for products; technological change; customer concentration; foreign currency exchange rates; dependence on key personnel; ability to retain and develop sufficient labour and management resources; ability to complete strategic transactions, integrate acquisitions and implement other growth strategies; litigation and product liability proceedings; increased demand from competitors with lower production costs; reliance on suppliers; credit risk of customers; risk of security breaches or disruptions of information technology systems; compliance with environmental laws; possibility of damage to manufacturing facilities as a result of unforeseeable events, such as natural disasters or fires; fluctuations in operating results; effect of climate change on the Corporation’s business and the industry as a whole; possibility of intellectual property infringement claims; demand for the products of the Corporation’s customers; ability to obtain continued debt and equity financing on acceptable terms; ability of significant shareholders to influence matters requiring shareholder approval; historic volatility in the market price of the Common Shares and risk of price decreases; production warranty and casualty claim losses; conducting business in foreign jurisdictions; income and other taxes; government regulation and legislation; and the Corporation’s ability to successfully anticipate and manage the foregoing risks

The reader is cautioned that the foregoing list of factors is not exhaustive of the factors that may affect any of the Corporation’s forward-looking statements. The reader is also cautioned to

consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements.

Other than as specifically required by law, the Corporation undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results otherwise.

Additional information about the risks and uncertainties about the Corporation's business is provided in its disclosure materials filed with the securities regulatory authorities in Canada and available at www.sedarplus.com.

* * * * *

DIRECTORS' APPROVAL

The contents and the sending of this Management Proxy Circular have been approved by the Directors of the Corporation.

DATED as of this 22nd day of February, 2024.

A handwritten signature in black ink, appearing to be 'B. Bourne', is positioned above a horizontal line.

Bradley C. Bourne,
Director, President &
Chief Executive Officer

SCHEDULE “A”

FIRAN TECHNOLOGY GROUP CORPORATION

BOARD OF DIRECTORS MANDATE

Effective Date: October 11, 2022

1. Purpose

The members of the Board of Directors (the “**Board**”) are responsible for supervising the management of the business and affairs of Firan Technology Group Corporation (the “**Company**”). The Board, directly and through its committees and the chair of the Board (the “**Chair**”) and, if applicable, the lead director of the Board (the “**Lead Director**”), shall provide direction to senior management, generally through the Chief Executive Officer, to pursue the best interests of the Company.

2. Membership

Number of Members

Subject to compliance with the Applicable Requirements (as defined below) and the Company’s constating documents, the Board shall be comprised of such number of members as determined by the Board from time to time.

Independence of Members

A majority of the members of the Board shall be independent within the meaning of the provisions of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, as may be amended from time to time.

Residency of Members

Subject to the *Canada Business Corporations Act* and the Company’s constating documents, at least 25% of the members of the Board shall be resident Canadians or, if the number of members is fewer than four, at least one member shall be a resident Canadian.

Term of Members

At each annual meeting of the Company’s shareholders, the Board must permit shareholders to vote on the election of all members of the Board. Each member of the Board shall serve until the member resigns, ceases to be qualified for service as a member of the Board or is removed in compliance with the Applicable Requirements.

Chair of the Board

The members of the Board shall designate a Chair by majority vote of the full Board membership, following consideration of the recommendation of the Corporate Governance and Nominating Committee.

The Chair shall be an independent member of the Board, unless the Board determines that it is in the best interests of the Company to not require the Chair to be independent, in which case the independent directors shall select from among their number, following consideration of the recommendation of the Corporate Governance and Nominating Committee, a further director who will act as the Lead Director.

In the absence of the Chair, the Lead Director shall chair any meeting of the Board and in the absence of both the Chair and the Lead Director, the members of the Board present may appoint a chair from their number for such meeting.

General

Each director must have an understanding of the Company's principal operational and financial objectives, plans and strategies, and financial position and performance. Each director is expected to attend all meetings of the Board and any Board committee of which they are a member. Directors are expected to have read and considered, in advance of each meeting, the materials sent to them and to actively participate in the meetings.

Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Directors who experience a significant change in their personal circumstances, including a change in their principal occupation, are expected to advise the chair of the Corporate Governance and Nominating Committee.

Directors may serve on the boards of other public issuers so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Directors must advise the Chair in advance of accepting an invitation to serve on the board of another public issuer.

3. Meetings

Number of Meetings

The Board shall meet as often as the Board considers appropriate to fulfill its responsibilities, but in any event at least once per fiscal quarter.

Quorum

No business may be transacted by the Board at a meeting unless a quorum of the Board is present, as specified in the Company's by-Laws.

Meeting Agenda

The Chair shall, in consultation with management, establish the agenda for each meeting and ensure that the agenda and properly prepared agenda materials are circulated to the members of the Board with sufficient time for study prior to the meeting.

Secretary and Minutes

The Company's Secretary, their designate, or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained in sufficient detail to convey the substance of all discussions held and shall be, on a timely basis, subsequently presented to the Board for approval.

Attendance of Non-Members

The Board may invite to a meeting any officers or employees of the Company, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

Meetings of Independent Directors

As part of each meeting of the Board, the independent directors shall hold an *in-camera* session, at which management and non-independent directors are not present, and the agenda for each Board meeting will afford an opportunity for such a session. The independent directors may also, at their discretion, hold *ad hoc* meetings that are not attended by management and non-independent directors.

Access to Management and Books and Records

The Board shall have free and unrestricted access at all times, either directly or through its duly appointed representatives, to the Company's management and employees and the books and records of the Company.

4. Responsibilities

The Board shall have the specific functions and responsibilities outlined below and may, subject to compliance with applicable law, delegate such functions and responsibilities to a committee of the Board. In addition to these responsibilities, the Board shall perform the functions and responsibilities required of a board of directors by the Company's governing corporate statute, applicable Canadian securities laws, any exchange upon which securities of the Company are listed, or any governmental or regulatory body exercising authority over the Company, as are in effect from time to time (collectively, the "**Applicable Requirements**") or as the Board otherwise deems necessary or appropriate.

Strategic Planning

(a) Strategic Plans

The Board is responsible for setting the broad parameters within which management operates and, accordingly, has adopted a strategic plan for the Company. The Board shall periodically review and, if advisable, approve the Company's strategic planning process and, at least annually, review and, if advisable, approve the Company's strategic planning process and short- and long-term strategic direction and business plans prepared by management. In discharging this responsibility, the Board shall review the plans in light of management's assessment of emerging trends, the competitive environment, the capital markets, significant business practices and products, the Company's opportunities and risks, and industry practices.

(b) Business Plan, Annual Budget and Capital Plans

The Board shall, at least annually, review and, if advisable, approve the Company's annual business plan and annual budget. The Board shall periodically review and, if advisable, approve the policies and processes generated by management relating to the authorization of major investments and significant allocations of capital and, at least annually, review and, if advisable, approve the Company's capital plans.

(c) Matters Requiring Board Approval

The Board shall be responsible for approving certain major corporate decisions and disclosure documents, including, but not limited to:

- acquisitions and divestitures;
- investments outside the normal scope of the Company's business;
- capital expenditures that require Board approval under the Company's capital expenditure policies, if any;

- equity financings;
- distributions to shareholders;
- the establishment of any share re-purchase program;
- litigation matters; and
- proxy circulars, annual information forms and similar continuous disclosure documents.

(d) **Monitoring**

The Board shall periodically review management's implementation of the Company's strategic plan, business plan, annual budget and capital plan and review and, if advisable, approve any material amendments to, or variances from, such budget and plans.

Risk Management

(e) **General**

At least annually, the Board shall review the recommendations and reports provided by management and committees of the Board on the principal risks associated with the Company's business and operations (including, but not limited to, risks related to information security, as well as environmental, social and governance ("ESG") matters), review the implementation by management of appropriate systems to identify, assess, manage and mitigate these risks, and review reports by management relating to the operation of, and any material deficiencies in, these systems.

(f) **Verification of Controls**

The Board shall verify that appropriate internal, financial, non-financial and business control and management information systems have been established, and are being maintained, by management.

Financial-Related Matters

(g) **Approval of Annual Financial Reports**

The Board shall, with the assistance of the Audit Committee, review the annual consolidated audited financial statements of the Company, the auditors' report thereon and the related management's discussion and analysis of the Company's financial condition and financial performance ("MD&A"), as well as the Audit Committee's recommendations in respect of the approval thereof. After completing its review, if advisable, the Board shall approve the annual audited financial statements and the related MD&A.

(h) **Approval of Interim Financial Reports**

The Board shall review the interim consolidated financial statements of the Company, the auditors' review report thereon, if any, and the related MD&A, as well as the Audit Committee's recommendations in respect of the approval thereof. After completing its review, if advisable, the Board shall approve the interim financial statements and the related MD&A.

(i) **Nomination and Compensation of the Company's Auditor**

The Board shall review the recommendations of the Audit Committee concerning the nomination and compensation of the external auditors and, if advisable, approve such nomination and compensation.

(j) **Policies for Pre-Approval of Non-Audit Services**

The Board shall review the recommendations of the Audit Committee concerning the policies and procedures for the retainer of the Company's external auditors to perform any non-audit service for the Company or its subsidiary entities and, if advisable, approve, with or without modifications, such policies and procedures.

Human Resource Management

(a) **Chief Executive Officer**

The Board shall review the recommendations of the Compensation Committee concerning the organizational goals and objectives relevant to the Chief Executive Officer's compensation and, if advisable, approve, with or without modifications, such goals and objectives.

The Board shall review the recommendations of the Compensation Committee concerning (i) the appointment and other terms of employment (including any severance arrangements or plans and any benefits to be provided in connection with a material adverse change in the individual's position, compensation or scope of responsibilities or change in control of the Company) for the Chief Executive Officer, including the adoption, amendment and termination of such agreements, arrangements or plans and, if advisable, approve, with or without modifications, such appointment and other terms of employment and (ii) the Chief Executive Officer's compensation level and, if advisable, approve, with or without modifications, such compensation.

(b) **Senior Management**

The Board shall review the recommendations of the Compensation Committee concerning the appointment of the Chief Financial Officer, all senior management reporting directly to the Chief Executive Officer and all other officers appointed by the Board (collectively "**Senior Management**") and, if advisable, after consideration of the objectives of the Diversity Policy of the Company, approve any such appointment.

The Board shall review the recommendations of the Compensation Committee respecting the compensation and other terms of employment (including any severance arrangements or plans and any benefits to be provided in connection with a material adverse change in the individual's position, compensation or scope of responsibilities or change in control of the Company) of members of Senior Management and, if advisable, approve, with or without modifications, such compensation and other terms of any employment agreements and any severance arrangements or plans.

(c) **Succession Review**

At least annually, the Board shall review the succession plans of the Company for the Chair and, if applicable, the Lead Director. The Board shall also periodically review the recommendations of the Compensation Committee with respect to succession planning matters concerning Senior Management and the Chief Executive Officer, as well as general executive development programs, and, after consideration of the objectives of the Diversity Policy of the Company, develop the succession plans of the Company.

(d) **Integrity of Senior Management**

The Board shall, to the extent feasible, satisfy itself as to the integrity of the Chief Executive Officer and other members of Senior Management and that the Chief Executive Officer and other members of Senior Management strive to create a culture of integrity throughout the Company.

(e) **Equity-Based Compensation Plans**

The Board shall review the recommendations of the Compensation Committee concerning the adoption or amendment of equity-based compensation plans of the Company and, if advisable, approve, with or without modifications, the adoption or amendment of such plans, subject to any approvals (including the approval of the Company's shareholders) required under the Applicable Requirements or such plans.

(f) **Director Remuneration**

The Board shall review the recommendations of the Compensation Committee concerning the remuneration (fees and/or retainer) to be paid to, and the benefits to be provided to, members of the Board for service in applicable capacities and, if advisable, approve, with or without modifications, such remuneration.

(g) **Key Employee Remuneration**

The Board shall review the recommendations of the Compensation Committee concerning grants under the equity-based compensation plans of the Company to be made to key employees of the Company and, if advisable, approve, with or without modifications, such grants.

Nomination Matters

(a) **General**

The Board shall periodically review reports of the Corporate Governance and Nominating Committee concerning nomination matters.

(b) **Nominee Identification**

The Board shall review the recommendations of the Corporate Governance and Nominating Committee concerning the potential nominees for election or appointment to the Board and, after considering (i) the results of the Board and director effectiveness evaluation process, (ii) the competencies, skills and other qualities that the Corporate Governance and Nominating Committee considers to be necessary for the Board as a whole to possess, the competencies, skills and other qualities that the Corporate Governance and Nominating Committee considers each existing director to possess (in the form of a skills matrix), and the competencies, skills and other qualities each new nominee would bring to the boardroom, (iii) the amount of time and resources that nominees have available to fulfill their duties as Board members, (iv) the objectives of the Diversity Policy of the Company, and (v) any applicable independence, residency and/or other requirements, approve, if advisable, with or without modifications, the individual nominees for consideration by, and presentation to, the shareholders at the Company's next annual meeting of shareholders or appointment to the Board between such meetings.

(c) **Committees of the Board**

The Board shall annually evaluate the performance, and review the work, of its committees. The Board shall annually, or as otherwise required or deemed advisable, review the recommendations of the Corporate Governance and Nominating Committee concerning the individual directors to serve on (or to depart from) the standing committees of the Board and, after considering (i) the qualifications for membership on each committee, (ii) the extent to which there should be a policy of periodic rotation of directors among the committees and (iii) the number of boards and other committees on which the directors serve, approve the appointment of such directors to (or departure from) the committees as the Board deems advisable.

(d) **Director Independence**

The Board shall periodically review the Board's and the Board committees' ability to act independently from management in fulfilling their responsibilities and in doing so the Board shall (i) review the application and evaluation by the Corporate Governance and Nominating Committee of the director independence standards applicable to members of the Board and (ii) review the recommendations of the Corporate Governance and Nominating Committee concerning a reduction or increase in the number of independent directors and, if advisable, approve, such reduction or increase.

(e) Board and Committee Size

The Board shall review the recommendations of the Corporate Governance and Nominating Committee concerning a reduction or increase to the size of the Board or any Board committee and if advisable, approve, such a reduction or increase.

(f) Board Renewal

The Board shall review the recommendations of the Corporate Governance and Nominating Committee concerning mechanisms of Board renewal (e.g., a retirement age or term limits for directors), and if advisable, approve, with or without modifications, the adoption of any such mechanisms.

(g) Diversity Policy

The Board will adopt a Diversity Policy and shall review any recommendations of the Corporate Governance and Nominating Committee concerning the adoption of measurable objectives for achieving diversity on the Board and if advisable, approve, with or without modifications, the adoption of a Diversity Policy reflecting any such objectives.

Corporate Governance

(a) General

The Board is responsible for developing the Company's approach to corporate governance. The Board shall periodically review reports of the Corporate Governance and Nominating Committee concerning corporate governance matters.

(b) Position Descriptions

The Board has approved position descriptions for the Chair, the Chief Executive Officer, and the chair of each standing Board committee. The Board shall periodically review the recommendations of the Corporate Governance and Nominating Committee concerning changes to such position descriptions and if advisable, approve, with or without modifications, the adoption of any such changes.

(c) Governance Policies

The Board has adopted a Disclosure Policy, Diversity Policy, Social Media Policy, Clawback Policy, Insider Trading Policy, and Whistleblowing Policy, and similar or other governance policies of the Company (including share ownership guidelines). The Board shall periodically review the recommendations of the Corporate Governance and Nominating Committee concerning changes to such policies or the adoption of such further governance policies and if advisable, approve, with or without modifications, the adoption of any such changes or new governance policies.

(d) Board of Directors Mandate Review

The Board shall periodically review the recommendations of the Corporate Governance and Nominating Committee concerning changes to this Mandate and if advisable, approve, with or without modifications, the adoption of any such changes.

(e) **Committees of the Board**

The Board has established an Audit Committee, a Compensation Committee and a Corporate Governance and Nominating Committee. Subject to the Applicable Requirements, the Board may establish other Board committees or merge or dissolve any Board committee at any time.

The Board has delegated to each Board committee those responsibilities set out in each Board committee's charter and shall approve charters for any new Board committee. The Board shall periodically review the recommendations of the Corporate Governance and Nominating Committee concerning changes to the charters for each Board committee and if advisable, approve, with or without modifications, the adoption of any such changes.

(f) **Ethics Reporting**

The Board has adopted the Code of Business Conduct and Ethics (the "**Code**"), which is applicable to directors, officers and employees of the Company, among others. The Board shall periodically review the recommendations and reports of the Corporate Governance and Nominating Committee regarding the adequacy of the Code and compliance with, waivers and material departures from, and investigations and any resolutions of complaints received under, the Code by directors, officers or employees. The Board shall also review the recommendations of the Corporate Governance and Nominating Committee concerning changes to the Code and if advisable, approve, with or without modifications, the adoption of any such changes.

(g) **Director Development and Evaluation**

Each new director shall participate in the Company's initial orientation program and each director shall participate in the Company's continuing director education programs. The Board shall, with the assistance of the Corporate Governance and Nominating Committee, review the adequacy of the orientation and continuing education program for members of the Board, and periodically review the recommendations of the Corporate Governance and Nominating Committee concerning proposed changes to the Company's initial orientation program and continuing director education programs and if advisable, approve, with or without modifications, the adoption of any such changes.

(h) **Conflicts of Interest**

The Board shall not engage in any activity, practice or act that conflicts, or may reasonably be expected to conflict or result in the appearance of a conflict, with the interests of the Company. Any conflict or perceived conflict involving a director must be disclosed in writing as soon as the conflict or perceived conflict is discovered. Directors shall comply with the Code and the Applicable Requirements and, to the extent required by the Code or the Applicable Requirements, abstain from voting on matters in which they have an interest and recuse themselves from any discussion on the matter.

From time to time on an *ad hoc* basis, if and when required or otherwise viewed by the Board as being prudent in the circumstances, the Board will form a special committee of disinterested directors to review and evaluate any material related party or other significant conflict of interest transactions involving the Company (except for material transactions solely involving the Company and one or more wholly-owned subsidiaries of the Company).

Environmental, Social and Governance Matters

(a) General

In addition to the specific governance matters covered by this Mandate, the Board shall periodically review recommendations from the Corporate Governance and Nominating Committee concerning the Company's general strategy, policies and initiatives relating to material environmental and social matters.

Communications

(a) General

The Board has adopted a Disclosure Policy for the Company. If consensus cannot be reached at a meeting of the disclosure committee created pursuant to the Disclosure Policy, the Board shall consider the matter.

(b) Shareholders

The Company will inform its shareholders of its progress through annual financial reporting materials, annual information form, quarterly interim reports and periodic press releases as required pursuant to the Applicable Requirements. Directors and management will meet with the Company's shareholders at the annual meeting and will be available to respond to questions at that time. In addition, the Company shall maintain on its website a contact email address that will permit shareholders to provide feedback directly to the Chair or, in the event the Board has determined that it is in the best interests of the Company to not require the Chair to be independent, the Lead Director.

5. Outside Advisors

The Board shall have the authority to retain and terminate, from a source independent of management, external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors without consulting or obtaining the approval of any officer of the Company. The Company shall provide appropriate funding, as determined by the Board, for the services of these advisors.

6. No Rights Created

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all the Applicable Requirements, as well as in the context of the Company's articles and by-laws, it is not intended to establish any legally binding obligations.

7. Mandate Review

The Board may review and recommend changes to this Mandate from time to time and the Corporate Governance and Nominating Committee may periodically review and assess the adequacy of this Mandate and recommend any proposed changes to the Board for consideration.