



THE WESTAIM CORPORATION

**NOTICE OF ANNUAL AND SPECIAL MEETING
TO BE HELD ON MAY 19, 2026
AND
MANAGEMENT INFORMATION CIRCULAR**

April 9, 2026

THE WESTAIM CORPORATION

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting of shareholders (the “**Meeting**”) of The Westaim Corporation (the “**Corporation**”) will be held at 200 Park Avenue, Skyline Conference Room, 8th Floor, New York, New York 10166 on Tuesday, May 19, 2026 at 9:30 a.m. (Eastern time) to:

- (a) receive and consider the financial statements of the Corporation for the financial year ended December 31, 2025 together with the auditors’ report thereon;
- (b) elect as directors for the forthcoming year the nominees proposed by management of the Corporation;
- (c) re-appoint Deloitte & Touche LLP as auditors of the Corporation and to authorize the audit committee of the board of directors of the Corporation (the “**Board**”) to fix the auditors’ remuneration and terms of engagement;
- (d) consider and, if deemed appropriate, pass a resolution confirming and approving the amended and restated long-term equity incentive plan of the Corporation, as required by the TSX Venture Exchange on an annual basis; and
- (e) transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

This Notice of Meeting is accompanied by a management information circular and a form of proxy (a “**Proxy Instrument**”).

The record date for the determination of shareholders of the Corporation entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof is April 9, 2026 (the “**Record Date**”). Shareholders of the Corporation whose names have been entered in the register of shareholders of the Corporation at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

A shareholder of the Corporation may attend the Meeting in person or may be represented by proxy. Registered shareholders of the Corporation who are unable to attend the Meeting or any adjournment(s) or postponement(s) thereof in person are requested to date, sign and return the accompanying Proxy Instrument for use at the Meeting or any adjournment(s) or postponement(s) thereof.

To be effective, the enclosed Proxy Instrument must be returned to Computershare Investor Services Inc. by: (i) mail using the enclosed return envelope; or (ii) hand delivery to Computershare at 320 Bay Street, 14th Floor, Toronto, Ontario M5H 4A6. Alternatively, you may vote by telephone at 1-866-732-VOTE (8683) (toll-free within North America) or 1-312-588-4290 (outside North America), by Internet using the 15 digit control number located at the bottom of the Proxy Instrument at www.investorvote.com or by facsimile to 1-866-249-7775/416-263-9524. All instructions are listed on the enclosed Proxy Instrument. Your proxy or voting instructions must be received in each case no later than 9:30 a.m. (Eastern time) on May 14, 2026 or, if the Meeting is adjourned, at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) before the beginning of any adjournment or postponement to the Meeting.

If you are a non-registered beneficial shareholder, a voting information form (also known as a VIF), instead of a form of proxy, may be enclosed. You must follow the instructions provided by your intermediary in order to vote your common shares.

DATED at New York, New York this 9th day of April, 2026.

BY ORDER OF THE BOARD

(signed) “*J. Cameron MacDonald*”
J. Cameron MacDonald
Director and Chief Executive Officer

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THE WESTAIM CORPORATION
(“Westaim” or the “Corporation”)

MANAGEMENT INFORMATION CIRCULAR

This management information circular (the “**Information Circular**”) is dated April 9, 2026 and is furnished in connection with the solicitation of proxies by and on behalf of management of the Corporation (“**Management**”) for use at the annual and special meeting (the “**Meeting**”) of shareholders of the Corporation (the “**Shareholders**”) to be held at 200 Park Avenue, Skyline Conference Room, 8th Floor, New York, New York 10166 on Tuesday, May 19, 2026 at 9:30 a.m. (Eastern time) for the purposes set out in the notice of meeting (the “**Notice**”) accompanying this Information Circular.

All dollar amounts herein are expressed in United States dollars unless otherwise indicated. Unless otherwise indicated, all numbers herein are after giving effect to the Corporation’s 6:1 share consolidation that occurred on December 31, 2024.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Financial Statements

The audited financial statements of the Corporation for the fiscal year ended December 31, 2025, together with the report of the auditors thereon, (the “**Financial Statements**”) will be presented to the Shareholders at the Meeting.

2. Election of Directors

The Certificate of Incorporation of the Corporation contemplates seven directors of the Corporation. In accordance with the Certificate of Incorporation, the Board subsequently increased the size of the Board to 11 via written consent. There are currently 11 directors of the Corporation, and 11 directors are to be elected at the Meeting each to serve as a director of the Corporation until the next meeting of Shareholders at which the election of directors is considered, or until his or her successor is duly elected or appointed, unless he or she resigns, is removed or becomes disqualified in accordance with the Corporation’s constating documents. The present term of office of each current director of the Corporation will expire at the Meeting.

CC Private Placement and IRA

When the Corporation completed its private placement offering (the “**CC Private Placement**”) on April 3, 2025 (the “**CC Private Placement Closing**”), issuing shares of common stock of Westaim (“**Common Shares**”) and warrants to purchase Common Shares, to Wembley Group Partners, LP (“**Wembley**”) (an affiliate of CC Capital Partners LLC (“**CC Capital**”)), it entered into an investor rights agreement (the “**IRA**”) with Wembley and Arena Investors Group Holdings, LLC (“**AIGH**”). Pursuant to the IRA, among other rights, Wembley is currently entitled to nominate five out of the eleven director nominees to the Board, subject to certain conditions. Wembley has exercised this nomination right with respect to Chinh Chu, Matthew Skurbe, Richard DiBlasi, Douglas Newton and Deanna Mulligan. The IRA also provides that the Corporation and Wembley are to nominate one independent director that is mutually acceptable to the Corporation and Wembley. Pursuant to this requirement, the Corporation and Wembley have nominated Menes O. Chee.

In the event that the “Common Stock Price Target Condition” is met, Wembley will have the right to nominate an additional nominee to the 11-member Board. “**Common Stock Price Target Condition**” means that the 30 consecutive trading day volume-weighted average trading price of the Common Shares on the TSX Venture Exchange (the “**TSXV**”) or such other primary stock exchange on which the Common Shares are listed for trading at such time equals or exceeds C\$48.00 (or its equivalent in other currencies, including United States dollars, based on the applicable daily average rate of exchange as reported by the Bank of Canada for the conversion of Canadian dollars into such other currency on the last business day prior to the applicable date) per Common Share at any time prior to April 3, 2030 as appropriately adjusted or reduced as further set out in the IRA.

The number of directors Wembley is entitled to nominate to the Board (excluding the additional nominee it will become entitled to nominate in the event the Common Stock Price Target Condition is achieved) will be subject to adjustment in the manner set forth in the table below.

Wembley Directors	Minimum Wembley Ownership Percentage ⁽¹⁾	Wembley Common Share Value ⁽²⁾
<i>Prior to Year 2⁽³⁾</i>		
Five Directors	100%	\$75,000,000
Three Directors	66.7%	n/a
One Director	25%	n/a
Zero	< 25%	n/a
<i>Year 2 – Year 5⁽³⁾</i>		
Five Directors	66.7%	\$75,000,000
Three Directors	50%	n/a
One Director	15%	n/a
Zero	< 15%	n/a
<i>Year 5 – Year 10⁽³⁾</i>		
Five Directors	50%	\$75,000,000
Three Directors	25%	n/a
One Director	10%	n/a
None	< 10%	n/a
<i>After Year 10⁽³⁾</i>		
Five Directors	25%	\$75,000,000
Three Directors	15%	n/a
One Director	5%	n/a
Zero	< 5%	n/a

Notes:

- (1) Determined by dividing the number of Common Shares beneficially owned by Wembley and its Affiliates (as defined in the IRA) at the relevant measurement time, by the number of Common Shares beneficially owned by Wembley and its Affiliates (but excluding any Common Shares for which the purchase price thereof is funded to Wembley by a person other than CC Capital or its Affiliates) immediately after the CC Private Placement Closing.
- (2) Represents the value of Common Shares beneficially owned by Wembley and its Affiliates at the relevant measurement time. For this determination, (a) if Wembley has not sold any Common Shares to an unaffiliated third party for cash, the value of a Common Share will be C\$28.50, and (b) if Wembley has sold Common Shares to an unaffiliated third party for cash, the value of a Common Share will be the last sale price.
- (3) Each “Year” commencing on the applicable annual anniversary date of the CC Private Placement Closing.

Director Nominees

The following table and the notes thereto set out the name of each person proposed by Management to be nominated for election as a director of the Corporation at the Meeting, the period during which he or she has been a director of the Corporation, his or her principal occupation within the five preceding years, all offices of the Corporation and the subsidiaries of the Corporation now held by such person, and his or her shareholdings, which includes the number of voting securities of the Corporation beneficially owned, or over which control or direction is exercised, directly or indirectly.

Name of Proposed Nominee, Province/State and Country of Residence	Year First Elected a Director	Principal Occupation(s) for the Past Five Years	Position(s) with the Corporation or any Subsidiary	Common Shares Owned, Controlled or Directed, Directly or Indirectly ⁽¹⁾
Chinh Chu ⁽⁴⁾ New York, United States	Director since 2025	Founder and Senior Managing of Director of CC Capital (<i>an investment firm</i>).	Director and Chair of the Board	11,979,825
Ian W. Delaney ⁽³⁾ Ontario, Canada	Director since 1996	Since April 3, 2025, Vice Chair of the Board. Chair of the Board from January 1, 2025 to April 3, 2025 and Executive Chair of the Board from January 1, 2013 to December 31, 2024.	Director and Vice Chair of the Board	1,465,770

Name of Proposed Nominee, Province/State and Country of Residence	Year First Elected a Director	Principal Occupation(s) for the Past Five Years	Position(s) with the Corporation or any Subsidiary	Common Shares Owned, Controlled or Directed, Directly or Indirectly ⁽¹⁾
J. Cameron MacDonald Ontario, Canada	Director since 2008	Since April 1, 2026, Chief Executive Officer of the Corporation. From April 2009 to April 1, 2026, President and Chief Executive Officer of the Corporation.	Director, Chief Executive Officer and Corporate Secretary of the Corporation	756,457
Matthew Skurbe New Jersey, United States	Director since 2025	Since April 1, 2026, President and Chief Operating Officer of the Corporation. From April 3, 2025 to April 1, 2026, Chief Financial Officer and Chief Risk Officer of the Corporation. From July 2020 to April 2025, Senior Managing Director, Chief Operating Officer and Chief Financial Officer of CC Capital (<i>an investment firm</i>).	Director, President and Chief Operating Officer of the Corporation and Chief Operating Officer of AIGH	nil
Richard DiBlasi ⁽²⁾⁽⁴⁾ New York, United States	Director since 2025	Senior Managing Director of CC Capital (<i>an investment firm</i>).	Director and Chief Strategy Officer of the Corporation	nil
Kevin E. Parker ⁽²⁾⁽⁵⁾ New York, United States	Director since 2020	Managing Partner at Sustainable Insight Capital Management (<i>an institutional investment firm</i>).	Director	nil
Michael Siegel ⁽³⁾⁽⁵⁾ New York, United States	Director since 2023	Since February 2020, Chief Executive Officer of Legeis Capital, LLC (<i>an advisory firm focusing on the intersection of insurance and asset management</i>).	Director and Chair of the Audit Committee	nil
Bruce V. Walter ⁽³⁾⁽⁵⁾ Ontario, Canada	Director since 2015 Director from 1997 to 2012	Chairman of Nunavut Iron Ore, Inc. (<i>a resource company</i>).	Director	40,469
Douglas Newton ⁽²⁾⁽⁴⁾ New York, United States	Director since 2025	Senior Managing Director of CC Capital (<i>an investment firm</i>).	Director and Chair of the Human Resources and Compensation Committee	nil
Deanna Mulligan New York, United States	Director since 2025	Since October 2024, Chief Executive Officer of Ceres Life Insurance Company, and since January 2021, Chief Executive Officer of Purposeful (<i>a consulting firm</i>).	Chief Executive Officer of Ceres Life Insurance Company and Director of the Corporation	nil
Menes O. Chee ⁽³⁾ New York, United States	Director since 2025	Senior Managing Director of Blackstone Inc. (<i>an investment firm</i>) until retirement in 2024.	Director and Chair of the Corporate Governance Committee	nil

Notes:

- (1) The information as to the number of Common Shares owned, controlled or directed, directly or indirectly, not being within the knowledge of the Corporation, has been obtained from the System for Electronic Disclosure by Insiders (SEDI) or furnished by each of the proposed directors of the Corporation individually. No director or proposed director beneficially owns, or controls or directs, directly or indirectly, voting securities of any of the subsidiaries of the Corporation.
- (2) Member of the human resources and compensation committee of the Board (the “**HR and Compensation Committee**”).
- (3) Member of the nominating and corporate governance committee of the Board (the “**Corporate Governance Committee**”).
- (4) Member of the investment committee of the Board (the “**Investment Committee**”).
- (5) Member of the audit committee of the Board (the “**Audit Committee**”).

See “*Director Compensation – Outstanding Option-Based and Share-Based Awards*” for details on the deferred share units (“**DSUs**”) held by the directors of the Corporation.

The persons named in the accompanying form of proxy (the “**Proxy Instrument**”) intend to vote for the election of the foregoing persons at the Meeting, unless otherwise directed. Management does not contemplate that any of the nominees will be unable to serve as a director of the Corporation.

IF ANY OF THE ABOVE NOMINEES IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR OF THE CORPORATION, PROXY INSTRUMENTS IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY INSTRUMENT THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.

Shareholders can vote or withhold from voting on the election of each director on an individual basis. The Board has adopted a policy which requires voting with respect to the election of directors at any meeting of Shareholders to be by individual nominee as opposed to by slate of directors, i.e., Shareholders will be asked to vote in favour of, or withhold from voting, separately for each nominee. If with respect to any particular nominee, the number of Common Shares withheld exceeds the number of Common Shares voted in favour of the nominee, following the Meeting the nominee is required to submit his or her resignation to the Corporate Governance Committee. The Corporate Governance Committee shall then make a recommendation to the Board with respect to whether or not to accept the resignation. After reviewing the matter and not later than 90 days following the Meeting, the Board will accept or reject the resignation and will advise Shareholders of its decision by press release. The nominee will not participate in the discussions respecting the decision to accept or reject the resignation. If the Board accepts the resignation, it may appoint a new director to fill the vacancy.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation, no proposed director is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director, Chief Executive Officer or Chief Financial Officer of any company (including the Corporation) that:

- (a) was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemptions under Canadian securities legislation that was in effect for a period of more than 30 consecutive days (an “**order**”), that was issued while the proposed director was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, Chief Executive Officer or Chief Financial Officer and which resulted from an event that occurred while that person was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer.

To the knowledge of the Corporation, other than as set out below, no proposed director:

- (a) is, as at the date of this Information Circular, or has been within the ten years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

On January 30, 2017, CC Capital acquired a majority interest in Constellation Healthcare Technologies, Inc. (“**CHT**”). Upon closing of the transaction, Messrs. Chu and Newton were appointed as members of the board of directors of an intermediate holding company parent of CHT, a CC Capital portfolio company. On March 16, 2018, Orion Healthcorp,

Inc., CHT and other related entities filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of New York.

In January 2026, Wilshire Benchmarks Topco Limited (“**Wilshire**”) began to sell assets in connection with the winding down of the Wilshire Indexes business. In connection with this wind-down, Wilshire appointed FRP Advisory on March 2, 2026 to act as an administrator. Mr. Newton sat on the board of directors of Wilshire throughout this period.

To the knowledge of the Corporation, no proposed director has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

3. Appointment of Auditors

Shareholders will be requested to re-appoint Deloitte & Touche LLP as auditors of the Corporation to hold office until the next annual meeting of Shareholders, and to authorize the Audit Committee to fix the auditors’ remuneration and the terms of their engagement. Deloitte & Touche LLP was first appointed auditors of the Corporation on June 27, 2025.

4. Approval of Incentive Plan

In accordance with the policies of the TSXV, an issuer that has a security-based compensation plan that includes both a “rolling” stock option plan and a “fixed” security-based compensation plan (which is the case with the Corporation’s amended and restated long-term equity incentive plan (the “**Incentive Plan**”)) must have its shareholders approve the plan on an annual basis. The Incentive Plan was initially approved by the Board on May 14, 2014, and by the Shareholders at the annual and special meeting of Shareholders in 2014 (the “**2014 Meeting**”). It was most recently amended and restated, and approved by the Board on March 26, 2026 and by the Shareholders at the special meeting of Shareholders on June 12, 2025 (the “**2025 Meeting**”).

See “*Security Based Compensation Arrangements*” for further details concerning the Incentive Plan. The information related to the Incentive Plan in this Information Circular is intended as a summary only and is qualified in its entirety by reference to the Incentive Plan which is attached hereto as Appendix “A”.

At the Meeting, Shareholders will be asked to consider, and, if deemed appropriate, approve, with or without variation, a resolution (the “**Incentive Plan Resolution**”) confirming and approving the Incentive Plan. The text of the Incentive Plan Resolution is as follows:

“RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. Subject to the final acceptance of the TSX Venture Exchange, the amended and restated long-term equity incentive plan (the “**Incentive Plan**”) of The Westaim Corporation (the “**Corporation**”), substantially in the form set forth Appendix “A” to the management information circular of the Corporation dated April 9, 2026, is hereby confirmed and approved.
2. The total number of common shares of the Corporation (“**Common Shares**”) which may be reserved and available for grant and issuance pursuant to the Incentive Plan and all other Share Compensation Arrangements (as defined in the Incentive Plan) of the Corporation shall not exceed:

- a. with respect to Options (as defined in the Incentive Plan), 10% of the total issued and outstanding Common Shares as at the date of the grant of each applicable grant of Options; and
 - b. with respect to Common Shares that may be reserved and available for grant and issuance pursuant to SARs, RSUs, DSUs, and Other Awards (each as defined in the Incentive Plan) and/or other Share Compensation Arrangements 3,325,791 Common Shares.
3. Any director or officer of the Corporation is hereby authorized and directed, for and on behalf of the Corporation, to do all things and execute and deliver all such agreements, documents and instruments and to do and perform all acts and things as such individual, in his or her discretion, deems necessary or advisable in order to give effect to the intent of this resolution and the matters authorized hereby.”

In the absence of contrary instructions, the Management nominees named as proxyholders in the enclosed Proxy Instrument intend to vote FOR the Incentive Plan Resolution. The Incentive Plan Resolution must be approved by the affirmative vote of at least a majority of the votes cast by Shareholders present or represented by proxy at the Meeting. **In the event that the Shareholders do not approve the Incentive Plan Resolution at the Meeting, then the Corporation will not be permitted to grant further share-based compensation awards (“Awards”) thereunder** until such time, if any, when the Incentive Plan is approved by the Shareholders in accordance with the policies of the TSXV.

GENERAL STATUTORY INFORMATION

Solicitation of Proxies

Solicitation of proxies for the Meeting will be primarily by mail, the cost of which will be borne by the Corporation. Proxies may also be solicited personally by employees of the Corporation at nominal cost to the Corporation. In some instances, the Corporation has distributed copies of the Notice, the Information Circular, and the Proxy Instrument (collectively, the “**Documents**”) to clearing agencies, securities dealers, banks and trust companies, or their nominees (collectively “**Intermediaries**”, and each an “**Intermediary**”) for onward distribution to Shareholders whose Common Shares are held by or in the custody of those Intermediaries (“**Non-registered Shareholders**”). The Intermediaries are required to forward the Documents to Non-registered Shareholders.

Solicitation of proxies from Non-registered Shareholders will be carried out by Intermediaries, or by the Corporation if the names and addresses of Non-registered Shareholders are provided by the Intermediaries.

Non-registered Shareholders

Non-registered Shareholders who have received the Documents from their Intermediary should, other than as set out herein, follow the directions of their Intermediary with respect to the procedure to be followed for voting at the Meeting. Generally, Non-registered Shareholders will either:

- (a) be provided with a form of proxy executed by the Intermediary but otherwise uncompleted. The Non-registered Shareholder may complete the proxy and return it directly to Computershare; or
- (b) be provided with a request for voting instructions. The Intermediary is required to send the Corporation an executed form of proxy completed in accordance with any voting instructions received by the Intermediary.

If you are a Non-registered Shareholder, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained from your Intermediary in accordance with applicable securities regulatory requirements. By choosing to send the Documents to you directly, the Corporation (and not your Intermediary) has assumed responsibility for (i) delivering the Documents to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Appointment of Proxyholders

The persons named in the enclosed Proxy Instrument are directors and/or officers of the Corporation. **SHAREHOLDERS HAVE THE RIGHT TO APPOINT A PERSON OR COMPANY TO REPRESENT HIM, HER OR IT AT THE MEETING OTHER THAN THE PERSONS DESIGNATED IN THE PROXY INSTRUMENT** either by striking out the names of the persons designated in the Proxy Instrument and by inserting the name of the person or company to be appointed in the space provided in the Proxy Instrument or by completing another proper form of proxy and, in either case, delivering the completed proxy to Computershare Investor Services Inc. by: (i) mail using the enclosed return envelope; or (ii) hand delivery to Computershare at 320 Bay Street, 14th Floor, Toronto, Ontario M5H 4A6. Alternatively, you may vote by telephone at 1-866-732-VOTE (8683) (toll-free within North America) or 1-312-588-4290 (outside North America), by Internet using the 15 digit control number located at the bottom of the Proxy Instrument at www.investorvote.com or by facsimile to 1-866-249-7775/416-263-9524. All instructions are listed on the enclosed Proxy Instrument. Your proxy or voting instructions must be received in each case no later than 9:30 a.m. (Eastern time) on May 14, 2026 or, if the Meeting is adjourned or postponed, at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) before the beginning of any adjournment or postponement to the Meeting.

Revocation of Proxy

A Registered Shareholder (as defined below) who has given a proxy pursuant to this solicitation may revoke it at any time up to and including the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof at which the proxy is to be used:

- (a) by an instrument in writing executed by the Shareholder or by his, her or its attorney authorized in writing and delivered to the attention of the Corporate Secretary of the Corporation c/o Computershare, 320 Bay Street, 14th Floor, Toronto, Ontario M5H 4A6;
- (b) by delivering written notice of such revocation to the chair of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof;
- (c) by attending the Meeting and voting the Common Shares; or
- (d) in any other manner permitted by law.

Non-registered Shareholders who wish to change their vote must contact their Intermediary to discuss their options well in advance of the Meeting.

Voting of Proxies and Discretion Thereof

Common Shares represented by properly executed proxies in favour of persons designated in the printed portion of the enclosed Proxy Instrument **WILL, UNLESS OTHERWISE INDICATED, BE VOTED FOR THE ELECTION OF DIRECTORS, FOR THE RE-APPOINTMENT OF DELOITTE & TOUCHE LLP AS THE AUDITORS OF THE CORPORATION AND FOR THE AUTHORIZATION OF THE AUDIT COMMITTEE TO FIX AUDITORS' REMUNERATION AND TERMS OF ENGAGEMENT AND FOR THE APPROVAL OF THE INCENTIVE PLAN RESOLUTION.** The Common Shares represented by the Proxy Instrument will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. The enclosed Proxy Instrument confers discretionary authority on the persons named therein with respect to amendments or variations to matters identified in the Notice or other matters which may properly come before the Meeting. At the date of this Information Circular, Management knows of no such amendments, variations or other matters to come before the Meeting. However, if other matters properly come before the Meeting, it is the intention of the persons named in the enclosed Proxy Instrument to vote such proxy according to their best judgment.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Voting Securities

The voting securities of the Corporation consist of an unlimited number of Common Shares. As of the Record Date (as defined below), the Corporation had issued and outstanding 33,257,917 Common Shares.

The close of business on April 9, 2026 has been fixed as the record date (the “**Record Date**”) for the determination of Shareholders entitled to receive notice of the Meeting and any adjournment(s) or postponement(s) thereof. Accordingly, only Shareholders of record (“**Registered Shareholders**”) on the Record Date are entitled to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

Other than as set out herein, each Shareholder is entitled to one vote on all matters that come before the Meeting for each Common Share shown as registered in his, her or its name on the list of Shareholders which is available for inspection during usual business hours at Computershare Investor Services Inc., Home Oil Tower, 800, 324-8th Avenue S.W., Calgary, Alberta T2P 2Z2. The list of Shareholders will be prepared not later than ten days after the Record Date. If a person has acquired ownership of Common Shares since that date, he, she or it may establish such ownership and demand, not later than ten days before the Meeting, that his, her or its name be included in the list of Shareholders.

There are no cumulative or similar voting rights attached to the Common Shares.

Principal Holders of Voting Securities

As of the Record Date, the only person or company known by the Corporation to own beneficially, or control or direct, directly or indirectly, more than 10% of the Common Shares is as follows:

Name	Number of Common Shares Beneficially Owned or Controlled or Directed	Percentage of Outstanding Common Shares
Wembley ⁽¹⁾	11,979,825	36.0%

Note:

(1) Mr. Chinh Chu, the Executive Chair of the Board, has beneficial ownership and control over Wembley.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness

There is no indebtedness outstanding of any current or former director, executive officer or employee of the Corporation or any of its subsidiaries which is owing to the Corporation or any of its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, entered into in connection with a purchase of securities or otherwise.

Indebtedness of Directors and Executive Officers Under (1) Securities Purchase and (2) Other Programs

No individual is, or at any time during the most recently completed financial year of the Corporation was, a director or executive officer of the Corporation, and no proposed nominee for election as a director of the Corporation, or any associate of any such director, executive officer or proposed nominee: (i) is or at any time since the beginning of the most recently completed financial year of the Corporation has been, indebted to the Corporation or any of its subsidiaries, or (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year of the Corporation has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

SECURITY BASED COMPENSATION ARRANGEMENTS

Equity Compensation Plan Information

The following table sets out information as of December 31, 2025 with respect to equity securities authorized for issuance under the Corporation's Incentive Plan.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders⁽¹⁾			3,333,170 Common Shares underlying options to acquire Common Shares ("Options") 2,605,406 Common Shares underlying all Awards (other than Options)
Incentive Plan (Options)	nil	nil	
Incentive Plan (restricted share units ("RSUs"))	749,990	nil	
Equity compensation plans not approved by securityholders	Nil	nil	nil
TOTAL	749,990	nil	3,333,170 Common Shares underlying Options 2,605,406 Common Shares underlying all Awards (other than Options)

Note:

- (1) As of December 31, 2025, the maximum number of Common Shares issuable upon: (a) the exercise of all Options under the Incentive Plan is 3,333,170, representing 10% of the total number of issued and outstanding Common Shares as of December 31, 2025 (on a non-diluted basis), being 33,331,704 Common Shares; and (b) settlement and/or exercise of all Awards (other than Options) under the Incentive Plan is 3,355,396.

As at December 31, 2025, there were: (a) no Options outstanding; and (b) 749,990 RSUs outstanding, representing approximately 2.25% of the total number of issued and outstanding Common Shares as of such date (on a non-diluted basis). All other Awards (as defined herein) that are outstanding are only permitted to be settled in cash. As such, as at December 31, 2025, there were: (a) 3,333,170 Common Shares remaining available for issuance under the Incentive Plan with respect to Common Shares underlying Options, representing 10% of the total number of issued and outstanding Common Shares as of such date; and (b) 2,605,406 Common Shares remaining available for issuance under the Incentive Plan with respect to Common Shares underlying all Awards (other than Options), representing approximately 7.72% of the total number of issued and outstanding Common Shares as of such date.

Summary of Terms and Conditions of the Incentive Plan

The Incentive Plan was initially approved by the Board on May 14, 2014, and by the Shareholders at the 2014 Meeting. The Incentive Plan was most recently amended and restated, and approved by the Board on March 26, 2026 and by the Shareholders at the 2025 Meeting.

Purpose of the Incentive Plan

In addition to streamlining the administration of the Corporation's prior security based compensation plans, the purpose of the Incentive Plan is to advance the interests of the Corporation and its affiliates by: (a) attracting, rewarding and retaining highly competent persons as directors, officers, employees, consultants and management of the Corporation; (b) providing additional incentives to such persons by aligning their interests with those of the Shareholders; and (c) promoting the success of the Corporation's business.

Administration of the Incentive Plan

The Incentive Plan is administered by the Board which has the power, subject to the specific provisions of the Incentive Plan, to, among other things: (a) establish policies, rules and regulations for carrying out the purposes, provisions and administration of the Incentive Plan; (b) interpret, construe and determine all questions arising out of the Incentive Plan and any Award; (c) determine those persons considered Eligible Persons (being any director, officer, employee, management Corporation employee or consultant of the Corporation or any affiliate determined by the Board (including for certainty, Ceres Life Insurance Company) as eligible for participation in the Incentive Plan); (d) determine the number of Awards to be granted; (e) determine the exercise criteria, price at which Common Shares may be purchased under an Option (the “**Option Price**”) of an Option or a stock appreciation right (“**SAR**”) (provided it not be less than the last closing price of the Common Shares on the TSXV on the last trading date immediately preceding the relevant date (“**Market Price**”)), time when Awards will be granted and exercisable or redeemable and whether the Common Shares that are subject to an Award will be subject to any restrictions upon the exercise or redemption thereof; (f) prescribe the form of the instruments or award agreements relating to the grant, exercise, redemption and other term of Awards; (g) correct any defect or omission, or reconcile any inconsistency in the Incentive Plan and any award agreement; (h) authorize withholding arrangements; and (i) take all other actions necessary or advisable for administering the Incentive Plan. The Board may, from time to time, delegate the administration of all or any part of the Incentive Plan to a committee of the Board and shall determine the scope of and may revoke or amend such delegation.

Eligible Persons

The Incentive Plan authorizes the Board (or a committee of the Board if so authorized by the Board) to grant Awards to Eligible Persons. Eligible Persons who have received Awards are referred to herein as “**Participants**”.

Description of Awards

Pursuant to the Incentive Plan, the Corporation is authorized to issue Awards to Eligible Persons, which may be settled in shares issued from treasury, or in cash. The Incentive Plan also gives the Board discretion to make other equity incentive awards, subject to the approval of the TSXV. Subject to the policies of the TSXV, all Awards, other than Options, granted under the Incentive Plan and settled by the issuance of Common Shares shall not vest before the date that is one year from the date of grant.

(a) SARs

A SAR is a right to receive a cash payment equal to the difference between the Option Price and the Market Price of a Common Share on the date of exercise (the “**SAR Amount**”). A SAR may be granted in relation to an Option or on a stand-alone basis. SARs granted in relation to an Option shall be exercisable only at the same time, by the same persons and to the same extent, that the related Option is exercisable. SARs granted on a stand-alone basis shall be granted on such terms as shall be determined by the Board and set out in the award agreement, provided that the Option Price shall not be less than the Market Price of the Common Shares on the date of grant. SARs may be settled in cash or (at the election of the Corporation) Common Shares with an aggregate Market Price equal to the SAR Amount.

(b) RSUs

An RSU is a right to receive a Common Share issued from treasury or, if the award agreement so provides, the Participant may elect to have some or all of such person’s RSUs settled by a cash payment equal to the Market Price of a Common Share, redeemable after the passage of time, the achievement of performance targets or both. RSUs shall be granted on terms determined by the Board based on its assessment, for each Participant, of the current and potential contribution of such person to the success of the Corporation. The Board shall determine the effective date of the grant and the number of RSUs granted. The Board shall also determine the applicable term, the vesting terms and the exercise criteria of each RSU.

(c) DSUs

A DSU is a right, generally redeemable only after the Participant has ceased to hold all positions with the Corporation or has otherwise ceased to be an Eligible Person, to a cash payment equal to the Market Price of a Common Share on the settlement date or, if applicable, to one fully paid and non-assessable Common Share issued from treasury. Except in exceptional circumstances, Participants have no right or ability to exercise, receive or otherwise demand payment of the value of DSUs granted to them prior to ceasing to hold all positions with the Corporation or to otherwise cease to be an Eligible Person.

(d) Options

Subject to an Option holder completing a “cashless exercise”, “net exercise” or an option surrender, each Option entitles the holder thereof with the right to purchase a Common Share for a fixed exercise price. Options shall be for a fixed term and exercisable from time to time as determined in the discretion of the Board, provided that no Option shall have a term exceeding ten years.

The number of Common Shares subject to each Option, the Option Price, the expiration date of each Option, the extent to which each Option is exercisable from time to time during the term of the Option and other terms and conditions relating to each such Option shall be determined by the Board. If no specific determination is made by the Board, the term of the Option shall be ten years, the Option Price shall be the Market Price of the Common Shares on the date of the grant and the Options shall vest on the anniversary of their date of grant in equal installments over a five year period.

The Option Price shall in no circumstances be lower than the greater of: (a) the price permitted by the TSXV; (b) the price permitted by any other regulatory body having jurisdiction; and (c) the Market Price.

Subject to the policies of the TSXV and receipt of the consent of the Corporation, an Option holder may choose to undertake a “cashless exercise” with the assistance of a broker to facilitate the exercise of such Option holder’s Options. The cashless exercise procedure may include a sale of such number of Common Shares as is necessary to raise an amount equal to the aggregate Option Price for all Options being exercised by that Option holder under a notice to exercise (an “**Exercise Notice**”) and any applicable tax withholdings subject to the Incentive Plan.

Pursuant to the Exercise Notice, the Option holder may authorize the broker to sell Common Shares on the open market by means of a short sale and forward the proceeds of such short sale to the Corporation to satisfy the Option Price and any applicable tax withholdings, promptly following which the Corporation shall issue the Common Shares underlying the number of Options as provided for in the Exercise Notice.

Subject to any policies of the TSXV and the receipt of the consent of the Corporation, an Option holder (other than a person retained to primarily provide investor relation services) may also complete a “net exercise” with a properly completed notice of net exercise, in a form approved by the Board from time to time, and elect to receive that number of Common Shares calculated using the following formula:

$A = (B * (C - D)) / C$, whereby:

A = the number of Common Shares to be issued to the Option holder upon exercising such Options, provided that if the foregoing calculation results in a negative number, then no Common Shares shall be issued

B = the number of Common Shares underlying the Options subject to the net exercise

C = subject to the policies of the TSXV, the VWAP of the Common Shares on the TSXV calculated by dividing the total value by the total volume of the Common Shares traded for the five trading days immediately preceding the date of the exercise of the Options subject to the net exercise

D = the Option Price of the Options subject to the net exercise

Subject to any policies of the TSXV and the consent of the Corporation, where an Option holder exercises their Options, the proposed amendment allows such Option holder to surrender such exercised Options (the “**Surrendered Options**”) to the Corporation and receive an amount in cash equal to the excess, if any, of the aggregate Market Price of the Common Shares underlying the Surrendered Options over the Option Price of such Surrendered Options (the “**Cash Amount**”), less applicable withholding amounts. All such Surrendered Options shall thereafter be cancelled, and the holder thereof shall have no further entitlements with respect to such Surrendered Options other than to receive the Cash Amount.

(e) All Awards and Other Awards

Awards may be granted alone, in addition to, or in tandem with any other Award or any award granted under another plan of the Corporation or an affiliate. Awards granted in addition to or in tandem with other Awards may be granted either at the same time or at different times. The date of grant, the number of Common Shares, the vesting period and any other terms and conditions of Awards granted pursuant to the Incentive Plan are to be determined by the Board, subject to the express provisions of the Incentive Plan.

The Board may also grant other share-based awards to Eligible Persons pursuant to the Incentive Plan. All such awards shall be granted on terms determined by the Board and shall be subject to the approval of the TSXV, if required.

Share Purchase Program

The Board may institute a share purchase program (the “**SPP**”) for designated Eligible Persons (each a “**SPP Eligible Person**”). Pursuant to the SPP, the Board could grant to each SPP Eligible Person one Option and/or one SAR for each Common Share purchased by such person up to a maximum number of Options and/or SARs for each Eligible Person as may be determined from time to time by the Board.

Restrictions on Awards

The Incentive Plan contains the following restrictions on the allotment of Common Shares and the Corporation’s obligation to issue Common Shares pursuant to the Incentive Plan:

- (a) subject to (b), (c), and (d) below, the maximum number of Common Shares issuable to any Eligible Person under the Incentive Plan, or when combined with all of the Corporation’s other Share Compensation Arrangements, will not exceed more than 5% of the issued and outstanding Common Shares (on a non-diluted basis, calculated as at the time of the grant of such Awards) in any 12-month period, unless the Corporation has obtained disinterested shareholder approval in connection therewith;
- (b) the maximum number of Common Shares issuable to any consultant under the Incentive Plan, or when combined with all of the Corporation’s other Share Compensation Arrangements, will not exceed more than 2% of the issued and outstanding Common Shares (on a non-diluted basis, calculated as at the time of the grant of such Awards) in any 12-month period;
- (c) no Awards, other than Options, may be granted to any Eligible Person providing investor relations services whose role and duties primarily consist of investor relations activities;
- (d) the aggregate number of Options granted to Eligible Persons retained to primarily provide investor relations services shall not exceed 2% of the issued and outstanding Common Shares (on a non-diluted basis, calculated as at the time of the grant of such Options) in any 12-month period;
- (e) Options granted to Eligible Persons retained to primarily provide investor relations services shall vest in a period of not less than 12-months from the date of grant and with no more than 25% of the Options vesting in any three month period;
- (f) unless otherwise stated in the Incentive Plan, no Award (other than an Option) may vest before the date that is one year following the date such Award is granted;

- (g) the number of Common Shares that are issuable pursuant to Awards, or when combined with all of the Corporation's other Share Compensation Arrangements, issued to Insiders (as a group) (as defined in the Incentive Plan), shall not exceed 10% of the issued and outstanding Common Shares (on a non-diluted basis) at any point in time, unless the Corporation has obtained disinterested shareholder approval in connection therewith; and
- (h) the number of Common Shares that are issuable pursuant to Awards, or when combined with all of the Corporation's other Share Compensation Arrangements, issued to Insiders (as a group), within any 12-month period, shall not exceed 10% of the issued and outstanding Common Shares (on a non-diluted basis), calculated as at the date any Award is granted or issued to any Insider, unless the Corporation has obtained disinterested shareholder approval in connection therewith,

(collectively, the “**Incentive Plan Restrictions**”).

Notwithstanding the Incentive Plan Restrictions, the Corporation will not be deemed to be acting in contravention of the limits set out immediately above as a result of any decrease in the number of issued and outstanding Common Shares following the grant of an Award as a result of any issuer bid or redemption carried out in accordance with applicable law.

Substitute Awards

Subject to TSXV approval, the Board may grant Awards under the Incentive Plan in substitution for share and share-based awards held by employees, directors, consultants or advisors of another company (an “**Acquired Company**”) in connection with a merger, consolidation or similar transaction involving such Acquired Company and the Corporation (or an affiliate thereof) or the acquisition by the Corporation (or an affiliate thereof) of property or stock of the Acquired Company.

Termination

Subject to the provisions of the Incentive Plan, any express resolution passed by the Board and the terms of any award agreement, all Awards, and all rights to acquire Common Shares pursuant thereto, granted to a Participant shall expire and terminate immediately upon such person's termination date. If, however, before the expiry of an Award, a Participant ceases to be an Eligible Person for any reason, other than termination by the Corporation for cause, such Award may be exercised or redeemed, as applicable: (a) subject to any determination by the Board, by the holder thereof at any time within 90 days following their termination date; or (b) if the person is deceased, at any time within six months following his or her death, subject to the provisions of the Incentive Plan, the terms set out in the applicable award agreement and any determination made by the Board to accelerate the vesting of or to extend the expiry of an Award. In any event, the exercise or redemption of an Award must occur prior to any applicable expiry date and in any event, with respect to Awards that may be settled in Common Shares, not more than 12 months from the date of termination. In addition, an Award is only exercisable or redeemable to the extent that the Participant was otherwise entitled to exercise or redeem the Award unless otherwise determined by the Board. If a Participant is terminated for cause, all unexercised or unredeemed Awards (vested or unvested) shall be terminated immediately.

Adjustments

If a formal bid for the Common Shares is made (an “**Offer**”), all Common Shares subject to outstanding Awards not then exercisable or redeemable shall become exercisable or redeemable and a Participant shall be entitled to exercise or redeem all or any part of the Award and tender the Common Shares acquired into the Offer. In the event of any stock dividend, stock split, combination or exchange of shares, merger, amalgamation, acquisition, divestiture, consolidation, spin-off or other distribution (other than normal cash dividends) of the Corporation's assets to Shareholders, or any other change in the capital of the Corporation affecting Common Shares, the Board will, subject to TSXV approval, make such proportionate adjustments, if any, to outstanding Awards as the Board in its discretion may deem appropriate to reflect such change.

Change of Control

As set out in the Incentive Plan and subject to the terms of any award agreement, in the event of a change of control (“CoC”) of the Corporation or of an affiliate of which a Participant is an employee, with respect to all RSUs, Options, SARs and DSUs that are outstanding for such Participant on the date of the completion of CoC (the “CoC Date”), (a) all vesting criteria or exercise criteria, if any, applicable to such RSUs, Options, SARs and DSUs shall be deemed to have been satisfied as of the CoC Date; and (b) except as may be otherwise provided under the terms of any other employee benefit plan approved by the Board, each Participant who has received any such RSU, Option or SAR grants shall be entitled to request to receive a cash payment as consideration for the surrender and cancellation of such RSU, Option or SAR grants to the Corporation equal to (i) in the case of a RSU, the Special Value (as defined herein); and (ii) in the case of a SAR or Option the difference between the Special Value and the Option Price in respect of such Option or SAR, as applicable, in each case, payable on the date which is ten business days following the CoC Date. In the event of a CoC, the right of a Participant to receive a payment in respect of a DSU will not be triggered prior to such Participant’s termination date. As used herein, the term “**Special Value**” means (a) if any Common Shares are sold as part of the transaction constituting the CoC, the weighted average of the prices paid for such shares by the acquirer, provided that if any portion of the consideration is paid in property other than cash, then the Board shall determine the fair market value of such property for purposes of determining the Special Value; and (b) if no Common Shares are sold, the Market Price of a Common Share on the day immediately preceding the date of the CoC.

The Incentive Plan contemplates certain increased change of control thresholds if triggered by CC Capital or its affiliates, for Awards granted on or after December 24, 2025.

Acceleration of Awards

Notwithstanding any other provision of the Incentive Plan, but subject to the policies of the TSXV, the Board may at any time give notice to Participants advising that their respective Awards (other than DSUs) are all immediately exercisable or redeemable and may be exercised or redeemed only within 30 days of such notice or such other period as determined by the Board and will otherwise terminate at the expiration of such period.

Amendment Procedure

The Incentive Plan contains a formal amendment procedure. The Board may amend certain terms of the Incentive Plan without requiring the approval of the Shareholders, unless specifically required by the TSXV. Amendments not requiring Shareholder approval include, without limitation: (a) altering, extending or accelerating Award vesting terms and conditions; (b) accelerating the expiry date of any Option; (c) determining adjustments pursuant to the provisions of the Incentive Plan concerning corporate changes; (d) amending the definitions contained in the Incentive Plan; (e) amending or modifying the mechanics of exercising or redeeming Awards; (f) amending provisions relating to the administration of the Incentive Plan; (g) making “housekeeping” amendments, such as those necessary to cure errors or ambiguities contained in the Incentive Plan; (h) effecting amendments necessary to comply with the provisions of applicable laws; and (i) suspending or terminating the Incentive Plan.

The Incentive Plan specifically provides that the following amendments require Shareholder approval: (a) increasing the number of Common Shares issuable under the Incentive Plan; (b) amending the Incentive Plan if such amendment could result in the aggregate number of Common Shares issued to Insiders within any one year period exceeding 10% of the outstanding Common Shares (which shall require disinterested shareholder approval); (c) extending the term of an Option; (d) extending the term of an Option held by an Insider (which requires disinterested shareholder approval); (e) reducing the Option Price for an Option or cancelling an Option and replacing such Option with a replacement Option with a lower Option Price; (f) repurchasing for cash or cancelling an Award in exchange for another Award at a time when its Option Price is greater than the Market Price of the underlying Common Shares; (g) amending the class of Eligible Persons which would have the potential of broadening or increasing participation in the Incentive Plan by Insiders; (h) any amendment which would permit Awards to be transferable or assignable other than for normal estate settlement purposes, provided that no Awards are transferable or assignable when the Common Shares are listed on the TSXV; (i) amending the formal amendment procedures of the Incentive Plan; (j) amending the termination provisions of an Award; and (k) making any amendments to the Incentive Plan required to be approved by the Shareholders under applicable law.

Other Terms

Except as provided or with the consent of the Corporation and any applicable regulatory authority, all Awards under the Incentive Plan will be non-assignable.

Where an Award would expire during a black-out period or within ten business days following the end of a black-out period, the term of such Award shall be automatically extended to the date which is ten business days following the end of such black-out period, except where not permitted by the TSXV.

Summary of Terms and Conditions of the Legacy Option Plan

The Corporation's legacy incentive option plan (the "**Legacy Option Plan**") was originally adopted by the Board on May 14, 2014 and was approved by the Shareholders at the 2014 Meeting. The Legacy Option Plan was most recently amended by the Board on March 26, 2024. The final 615,000 Options outstanding under the Legacy Option Plan were exercised in the year ended December 31, 2025. All future Awards are intended to be issued pursuant to and governed by the Incentive Plan and no future Awards are intended to be issued pursuant to or governed by the terms of the Legacy Option Plan.

Purpose of the Legacy Option Plan

The Legacy Option Plan was implemented to advance the interests of the Corporation and its affiliates by: (a) attracting, rewarding and retaining highly competent persons as directors, officers, employees and consultants of the Corporation; (b) providing additional incentives to such persons by aligning their interests with those of the Shareholders; and (c) promoting the success of the Corporation's business.

Administration of the Legacy Option Plan

The Legacy Option Plan was administered by the Board which had the power, subject to the specific provisions of the Legacy Option Plan to, among other things: (a) establish policies, rules and regulations for carrying out the purposes, provisions and administration of the Legacy Option Plan; (b) interpret, construe and determine all questions arising out of the Legacy Option Plan and any Option; (c) determine those persons considered Eligible Persons; (d) determine the exercise criteria, the Option Price (provided it not be less than the Market Price) and whether the Common Shares that are subject to an Option will be subject to any restrictions upon the exercise thereof; (e) prescribe the form of the instruments or Option agreements relating to the grant, exercise and other terms of the Options; (f) correct any defect or omission, or reconcile any inconsistency in the Legacy Option Plan and any Option agreement; (g) authorize withholding arrangements; and (h) take all other actions necessary or advisable for administering the Legacy Option Plan.

Restrictions on Options

Other than as set out herein, the Legacy Option Plan contained restrictions substantially similar to the Incentive Plan Restrictions. In addition, the aggregate number of Common Shares issuable to insiders within any one year period under the Legacy Option Plan, together with any other security-based compensation arrangement, could not exceed 10% of the outstanding Common Shares (on a non-diluted basis).

Description of Options

Pursuant to the Legacy Option Plan, the Corporation was authorized to award Options to Eligible Persons.

Subject to an Option holder completing a "cashless exercise", "net exercise" or (subject to approval of the Legacy Option Plan Resolution) an Option Surrender, each Option under the Legacy Option Plan entitled the holder thereof with the right to purchase a Common Share for a fixed exercise price. Options had a fixed term and were exercisable from time to time as determined in the discretion of the Board, provided that no Option could have had a term exceeding ten years. Except where not permitted by the TSXV, if an Option expired during a black-out period or

within ten business days thereof, its term would be extended to the date which was ten business days following the end of such period.

The number of Common Shares subject to each Option, the Option Price, the expiration date of each Option, the extent to which each Option was exercisable during the term of the Option and other terms and conditions relating to each such Option was determined by the Board.

Other Material Terms

The Legacy Option Plan contained similar exercise, termination, adjustment, CoC, acceleration and amendment provisions as the Incentive Plan. See “*Security Based Compensation Arrangements – Summary of Terms and Conditions of the Incentive Plan*” for a summary of such provisions. The information related to the Legacy Option Plan in this Information Circular is intended as a summary only and is qualified in its entirety by reference to the Legacy Option Plan.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation Governance

The Board has not adopted any formal policies or procedures to determine the compensation of the Corporation’s directors or executive officers (the “**Executives**”). The compensation of the Executives is determined by the Board, based on the recommendations of the HR and Compensation Committee. Recommendations of the HR and Compensation Committee are made giving consideration to the objectives discussed below and, if applicable, considering data provided and recommendations made by any compensation consultant engaged by the HR and Compensation Committee.

The HR and Compensation Committee currently consists of three directors: Douglas Newton, Richard DiBlasi and Kevin E. Parker, the majority of whom are independent and all of whom have direct and indirect expertise relevant to their role as members of the HR and Compensation Committee, as further summarized below. Mr. DiBlasi is deemed to not be independent on account of being the Chief Strategy Officer of the Corporation.

Douglas Newton – Mr. Newton is a Senior Managing Director and a Co-Founder of CC Capital. He has more than 22 years of professional investing experience across both public and private markets. Mr. Newton helped lead the CC Private Placement as well as CC Capital’s transactions for Dun & Bradstreet, E2Open, Fidelity & Guaranty Life, Getty Images, Insignia and Wilshire. Before joining CC Capital, he was a Founding Partner of The WindAcre Partnership, LLC, an investment firm that owns a concentrated, long-term portfolio of global public equities. Prior to that, Mr. Newton has additional experience as an investment professional at Seneca Capital and DLJ Merchant Banking Partners and in investment banking at Credit-Suisse First Boston and Donaldson, Lufkin & Jenrette. Mr. Newton received an A.B. in Economics from Dartmouth College and an M.B.A. from the Stanford University Graduate School of Business.

Richard DiBlasi – Mr. DiBlasi is a Senior Managing Director at CC Capital, where he has been a key member of the investment team since 2016. With over 15 years of private equity experience, Mr. DiBlasi has played a leading role in several of the CC Capital’s most significant transactions, including the CC Private Placement, the acquisition of Fidelity & Guaranty Life by CF Corp. and the take-private of Dun & Bradstreet. Prior to CC Capital, Mr. DiBlasi was with Blackstone’s Private Equity Group, focusing on investments in financial services, technology, and business services. He began his career at FTI Consulting in the Global Risk and Investigations Practice. Mr. DiBlasi holds a B.A. in Political Science from Yale University.

Kevin E. Parker – Mr. Parker is currently the Managing Partner at SICM. He has over 40 years of investment experience. Prior to SICM, Kevin was a Member of the Management Board of Deutsche Bank for over ten years and the former Global Head of Deutsche Asset Management from 2004 to 2012. In this role, he was responsible for more than \$750 billion dollars invested across a broad range of assets including Equities, Fixed Income, Real Estate,

Infrastructure, Private Equity, Hedge Funds, Sustainable Investments and other businesses. Also at Deutsche Bank, Mr. Parker served as the Global Head of Institutional Equities from 2000 until 2004 and from 1997 until 2000 was responsible for building and developing Deutsche Bank's Equity Derivatives, Prime Brokerage Services, Equity Trading and Equity Proprietary Trading Businesses. Prior to Deutsche Bank, Mr. Parker was a Managing Director at Morgan Stanley and served in a variety of positions, including Head of Asian Derivatives, Global Head of Equity Derivatives Trading and Chief Information Officer. Mr. Parker holds a Bachelor of Science in Finance from New York University.

The role and responsibility of the HR and Compensation Committee is, as a standing committee of the Board, to assist the Board in fulfilling its responsibilities relating to matters of human resources and compensation, including equity compensation. The HR and Compensation Committee endeavours to ensure that the philosophy and operation of the Corporation's compensation program reinforces its culture and values, creates a balance between risk and reward, attracts, motivates, and retains executives over the long-term and aligns their interests with those of the Shareholders. In addition, the HR and Compensation Committee is to review the Corporation's annual disclosure regarding executive compensation for inclusion where appropriate in the Corporation's disclosure documents. The mandate of the HR and Compensation Committee describes the responsibilities of the HR and Compensation Committee which include:

- (a) reviewing and making recommendations to the Board with respect to the overall compensation strategy and policies for directors, officers and employees of the Corporation;
- (b) reviewing and making recommendations to the Board with respect to the corporate goals and objectives relevant to the compensation of the Corporation's senior management and recommending to the Board the compensation level of senior management based on their annual performance in light of those goals and objectives;
- (c) overseeing the Corporation's management succession plan, including succession for the Chief Executive Officer position;
- (d) advising on selection of certain executive officer positions;
- (e) reviewing and approving the terms of all executive severance and change in control benefits;
- (f) reviewing and making recommendations to the Board with respect to the compensation of the Chair of the Corporation (whether non-executive or otherwise);
- (g) overseeing and approving awards under the Incentive Plan in accordance with the terms thereof;
- (h) making recommendations to the Board with respect to the Corporation's incentive compensation and equity-based plans that are subject to Board approval;
- (i) considering the implications of the risks associated with the Corporation's compensation policies and practices; and
- (j) reviewing and approving the annual disclosure relating to executive compensation contained in the management information circular of the Corporation.

Compensation Objectives and Principles

The compensation program for the Executives is designed to provide such persons with a competitive compensation package having regard to responsibilities and performance. Performance is considered to include achievement of the Corporation's strategic objectives of providing Shareholders with capital appreciation and real wealth preservation.

The primary goal of the compensation program for the Executives is to attract and retain the key executives necessary for the Corporation's long-term success, to encourage Executives to further the development of the Corporation and its operations, and to motivate top quality and experienced executives.

Elements of Compensation

1. Base Salary

Base salary is the fixed portion of each Executive's total compensation. It is designed to provide income certainty. In determining the base level of compensation for the Executives, weight is placed on the following factors: the particular responsibilities related to the position, salaries or fees paid by companies of similar size in the industry, level of experience of the executive and overall performance, and the time which the Executive is required to devote to the Corporation in fulfilling his responsibilities.

2. Short-Term Incentive and Discretionary Cash Bonus Awards

A cash incentive payment or annual bonus is a short-term incentive that is intended to reward each Executive for his individual contribution and performance of corporate and personal objectives. Short-term incentive awards are designed to motivate Executives to achieve personal business objectives, to be accountable for their relative contribution to the Corporation's performance, as well as to attract and retain executives. In determining compensation and, in particular, short-term incentive awards, the HR and Compensation Committee considers factors over which the Executive can exercise control, such as their role in identifying and completing acquisitions and integrating such acquisitions into the Corporation's business, meeting any budget targets established by controlling costs, taking successful advantage of business opportunities and enhancing the competitive and business prospects of the Corporation. The HR and Compensation Committee also maintains the opportunity to recommend, for Board approval, discretionary cash bonuses for executive officers from time to time. Discretionary bonuses may be based on performance outcomes that exceeded expectations outside of any performance objectives factored into the short-term incentive plan.

3. Long-Term Equity Incentive Awards

Long-term incentives are intended to align the interests of the Corporation's directors and Executives with those of the Shareholders and to provide a long-term incentive that rewards these parties for their contribution to the creation of Shareholder value. In establishing the number of Options or Awards to be granted, reference is made to the recommendations made by the HR and Compensation Committee and any compensation consultant engaged as well as the number of similar awards granted to officers and directors of other publicly-traded companies of similar size in the same business as the Corporation. The HR and Compensation Committee and the Board also consider previous grants of Options or Awards and the overall number of Options or Awards that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of Options or Awards and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the director or Executive in determining the level of long-term equity incentive awards.

Long-term equity incentive awards in the form of RSUs, Options and/or SARs are intended to align the interests of the Executives with those of the Shareholders and to provide a long-term incentive that rewards these individuals for their contribution to the creation of Shareholder value.

Risks Associated with the Compensation Policies and Practices

As part of its oversight of the Executive compensation program, the HR and Compensation Committee considers the implications of any risks associated with such program. Executives are discouraged from taking unnecessary or excessive risks by virtue of the fact that base salaries and personal benefits are sufficiently competitive and not subject to performance risk.

The HR and Compensation Committee believes that executive compensation risk management includes ongoing Board oversight of:

- the Corporation's strategic objectives, results, regulatory reports and financial plans;

- the mix of compensation between base salary, short-term incentives and cash bonuses tied to corporate and individual performance results and long-term incentive awards that tie compensation opportunities which align with the Shareholder experience;
- fraud and error reporting;
- the Audit Committee’s quarterly meetings with the external auditors, including discussions with the external auditors that exclude management;
- the Code of Conduct and Ethics for Directors, Officers and Employees and a Finance Code of Conduct for its Chief Executive Officer and senior financial officers (collectively, the “Codes”); and
- the Corporation’s internal control, management information system, financial reporting and financial control systems.

Based on this review, the Corporation has concluded that its compensation policies and procedures are not reasonably likely to have a material adverse effect on the Corporation or any of its subsidiaries.

Hedging

No policies have been instituted related to the purchase by directors or NEOs (as defined below) of 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, director or indirectly, by any director or NEO.

Compensation Consultant

On January 8, 2024, the HR and Compensation Committee retained Global Governance Advisors (“GGA”), a human capital consulting firm, to provide independent executive compensation advice to such Committee.

GGA was retained to:

- review the Corporation’s peer group and refine the peer group for benchmarking executive and non-employee director compensation;
- conduct a pay for performance analysis, including a multi-year compensation lookback and external benchmark analysis for the Corporation’s NEOs;
- review 2023 bonuses in relation to the results of the pay for performance and lookback analysis;
- review non-employee director compensation; and
- review the Corporation’s 2024 long-term equity incentive plan grants for 2024.

The table below sets forth the fees billed by GGA for the two most recently completed financial years of the Corporation.

	December 31, 2025	December 31, 2024
Executive Compensation-Related Fees	\$3,652 ⁽¹⁾	\$62,681 ⁽¹⁾
All Other Fees	nil	nil

Note:

- (1) Represents the aggregate fees billed by GGA (net of applicable taxes) in US dollars. These fees were paid in Canadian dollars.

Compensation Determinations

Other than with respect to Matthew Skurbe, all NEOs were generally compensated pursuant to arrangements determined prior to January 1, 2025. Mr. Skurbe's compensation was determined based on discussions between Mr. Skurbe, CC Capital and Westaim management in and around the time of the CC Private Placement Closing. Such compensation focused on Mr. Skurbe's then compensation at CC Capital and prevailing market conditions.

Summary Compensation Table

The following table summarizes, for the periods indicated, the compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation to each individual who served as the Corporation's President and Chief Executive Officer, Chief Financial Officer and each other named executive officer, as defined under Form 51-102F6 – *Statement of Executive Compensation* (for the periods referenced below). Such persons are referred to collectively herein as the “**Named Executive Officers**” or “**NEOs**”. All amounts in the following table and the notes thereto are in United States dollars unless otherwise indicated.

Name and principal position	Year ended Dec. 31	Salary ⁽¹⁾	Share based awards	Option based awards	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation
					Annual incentive plans	Long-term incentive plans			
J. Cameron MacDonald ⁽²⁾ Chief Executive Officer	2023	\$595,526	nil	\$924,985 ⁽⁶⁾	\$5,330,348 ⁽⁴⁾	nil	nil	nil	\$6,850,859
	2024	\$591,934	nil	\$761,904 ⁽⁷⁾	\$8,808,000 ⁽⁵⁾	nil	nil	nil	\$10,161,839
	2025	\$587,000	nil	nil	\$1,400,000 ⁽¹⁴⁾	nil	nil	nil	\$1,987,000
Matthew Skurbe President and Chief Operating Officer and Former Chief Financial Officer ⁽²⁾⁽³⁾	2023	N/A	nil	nil	nil	nil	nil	nil	nil
	2024	N/A	nil	nil	nil	nil	nil	nil	nil
	2025	\$445,455 ⁽¹⁵⁾	nil	nil	\$1,225,000 ⁽¹⁶⁾	nil	nil	nil	\$1,670,455
Glenn G. MacNeil Former Chief Financial Officer ⁽³⁾	2023	\$266,456	nil	\$69,373 ⁽⁶⁾	\$1,042,141 ⁽⁴⁾	nil	nil	nil	\$1,377,970
	2024	\$262,918	nil	\$153,992 ⁽⁷⁾	\$1,737,482 ⁽⁵⁾	nil	nil	nil	\$2,154,391
	2025	\$84,552	nil	nil	\$87,782 ⁽¹⁷⁾	nil	nil	\$1,180,406 ⁽¹¹⁾	\$1,352,740
Robert T. Kittel Former Chief Operating Officer of WCSC ⁽¹²⁾	2023	\$462,597	nil	\$693,738 ⁽⁶⁾	\$628,324 ⁽⁴⁾	nil	nil	nil	\$5,069,046
	2024	\$456,454	nil	\$465,103 ⁽⁷⁾	\$3,912,711 ⁽⁵⁾	nil	nil	nil	\$7,434,777
	2025	\$146,792	nil	nil	\$239,482 ⁽¹⁷⁾	nil	nil	\$2,250,815 ⁽¹³⁾	\$2,637,089
Richard DiBlasi Chief Strategy Officer ⁽⁸⁾	2023	N/A	nil	nil	nil	nil	nil	nil	nil
	2024	\$110,000	nil	nil	nil	nil	nil	nil	\$110,000
	2025	\$660,000	nil	nil	nil	nil	nil	\$137,734 ⁽⁹⁾	\$797,734
Ian W. Delaney Vice-Chair of the Board and Former Chair of the Board	2023 ⁽²⁾	\$370,077	nil	\$462,492 ⁽⁶⁾	\$2,081,183 ⁽⁴⁾	nil	nil	nil	\$2,913,752
	2024 ⁽²⁾	\$365,163	nil	\$380,950 ⁽⁷⁾	\$3,376,813 ⁽⁵⁾	nil	nil	nil	\$4,122,927
	2025	nil	nil	nil	nil	nil	nil	\$180,000 ⁽¹⁰⁾	\$180,000

Notes:

- (1) The salaries for Messrs. Delaney, Kittel and MacNeil and the transition package payments in 2025 to Messrs. Kittel and MacNeil for the purposes of the above table were paid in Canadian dollars and were converted into United States dollars based on the Bank of Canada indicative exchange rate at the time of the applicable payments that year which averaged C\$1.3511 per \$1.00 for 2023, C\$1.36925 per

- \$1.00 for 2024 and C\$1.39431 per \$1.00 for 2025. Mr. MacDonald was paid two salaries in 2024, one for employment services in the United States (in United States dollars) and the other for employment services in Canada (in Canadian dollars)). Mr. DiBlasi's consulting fees earned in 2024 (for the months of November and December 2024) and 2025 were paid in United States dollars pursuant to the terms of a CSO consultancy agreement dated effective as of November 1, 2024 between the Corporation and Mr. DiBlasi (the "**CSO Consultancy Agreement**"). Under the CSO Consultancy Agreement, Mr. DiBlasi is paid \$55,000 per month in United States dollars.
- (2) Messrs. MacDonald and Skurbe were not paid any fees for their services as directors of the Corporation. Mr. Delaney was not paid for his services as a director of the Corporation for 2023 or 2024.
- (3) Mr. MacNeil served as Chief Financial Officer of the Corporation from 2015 until April 3, 2025, as an employee of Westaim Canada Services Corporation ("**WCSC**"), a wholly-owned subsidiary of the Corporation, from April 3, 2025 to May 1, 2025 and as a consultant of the Corporation from May 1, 2025 to June 30, 2025 pursuant to an independent contractor agreement between Mr. MacNeil and Westaim made as of April 29, 2025 (the "**MacNeil ICA**"). Mr. Skurbe served as Chief Financial Officer of the Corporation from April 3, 2025 to April 1, 2026, and has served as President and Chief Operating Officer of the Corporation since April 1, 2026.
- (4) Represents the 2023 annual cash bonuses (the "**2023 Annual Bonuses**") and special cash bonuses earned in 2023 (the "**2023 Special Bonuses**"). The 2023 Annual Bonuses were paid in Canadian dollars and were converted to United States dollars for purposes of the above table based on Bank of Canada indicative exchange rate as of March 13, 2024, which was the date the 2023 Annual Bonuses were approved by the Board. The 2023 Annual Bonuses were earned in 2023 but paid in 2024. 2023 Special Bonuses were granted for 2023 to reflect each NEO's contribution to the significant value realized from the Skyward Specialty Skyward Specialty Insurance Group, Inc. ("**Skyward Specialty**") investment through the sale of a portion of the Corporation's stake in Skyward Specialty in two tranches following its initial public offering in 2023 and to recognize the gap in executive compensation to market observed in recent years due to the relatively low value of long-term incentive granted to the Corporation's NEOs.
- (5) Represents the 2024 annual cash bonuses (the "**2024 Annual Bonuses**") and special cash bonuses earned in 2024 (the "**2024 Special Bonuses**"). The 2024 Annual Bonuses and the 2024 Special Bonuses were paid on December 19, 2024 in United States dollars based on the Bank of Canada indicative exchange rate at the time of grant which was C\$1.4167 per \$1.00.
- (6) Represents SARs granted by the Corporation on December 28, 2023 (the "**2023 SARs**"). Valued based on the Black Scholes valuation methodology with a (SARs) Option Price of C\$22.98 on the December 28, 2023 date of grant. Assumptions included: (i) the closing price of the Common Shares on the date of grant (C\$22.98); (ii) volatility of the Common Shares (17.32%); (iii) compounded risk-free interest rate for the term of the SARs (3.72%); and (iv) term of the SARs (2.97 years). Amounts were converted into United States dollars based on the Bank of Canada indicative exchange rate at the time of grant which was C\$1.32120 per \$1.00.
- (7) Represents SARs granted by the Corporation on December 31, 2024 (the "**2024 SARs**"). Valued based on the Black Scholes valuation methodology with a (SARs) Option Price of C\$31.38 on the December 31, 2024 date of grant. Assumptions included: (i) the closing price of the Common Shares on the date of grant (C\$31.38); (ii) volatility of the Common Shares (17.82%); (iii) compounded risk-free interest rate for the term of the SARs (2.87%); and (iv) expected term of the SARs (2.00 to 2.96 years). Amounts were converted into United States dollars based on the Bloomberg spot exchange rate at the time of the grant which was C\$1.43815 per \$1.00.
- (8) Mr. DiBlasi was appointed Chief Strategy Officer of the Corporation on October 31, 2024.
- (9) Represents director fees paid to Mr. DiBlasi.
- (10) Effective January 1, 2025, Mr. Delaney received fees solely as a director of the Corporation. Represents director fees paid to Mr. Delaney in the form of DSUs. See also note 1 to the "*Director Compensation Table*" below. Based on the formula outlined in such note, Mr. Delaney's fees of \$180,000 were converted into DSUs as follows: (a) 2,053 DSUs in respect of Q1 2025; (b) 1,994 DSUs in respect of Q2 2025; (c) 2,181 DSUs in respect of Q3 2025; and (d) 2,422 DSUs in respect of Q4 2025.
- (11) Represents a transition package payment made to Mr. MacNeil of \$1,174,196 and consulting fees paid to Mr. MacNeil under the MacNeil ICA of \$93,992.
- (12) Mr. Kittel served as Chief Operating Officer of WCSC until April 3, 2025, and as an employee of WCSC from April 3, 2025 to April 30, 2025.
- (13) Represents a transition package payment made to Mr. Kittel.
- (14) Represents Mr. MacDonald's annual bonus.
- (15) Represents Mr. Skurbe's pro rated annual base salary for his roles at Westaim and AIGH.
- (16) Represents Mr. Skurbe's annual bonus at both the Corporation and at AIGH.
- (17) Represents an annual bonus.

Incentive Plan Awards – Outstanding Option-Based and Share-Based Awards

The following table shows all outstanding option-based and share-based awards held by each Named Executive Officer as at December 31, 2025.

Name	Option-based Awards				Share-based Awards			
	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾⁽³⁾	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested	Number of shares or units of shares that have vested	Market or payout value of vested share-based awards not paid or distributed ⁽¹⁾⁽³⁾
J. Cameron MacDonald	309,012 ⁽⁴⁾ 215,617 ⁽⁵⁾	C\$22.98 C\$31.38	December 15, 2026 December 15, 2027	\$567,552 nil	nil	nil	nil	nil

Name	Option-based Awards				Share-based Awards			
	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾⁽³⁾	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested	Number of shares or units of shares that have vested	Market or payout value of vested share-based awards not paid or distributed ⁽¹⁾⁽³⁾
Matthew Skurbe ⁽⁶⁾	nil	nil	nil	nil	nil	nil	nil	nil
Glenn G. MacNeil ⁽⁶⁾	23,176 ⁽⁴⁾ 54,921 ⁽⁵⁾	C\$22.98 C\$31.38	December 15, 2026 December 15, 2027	\$42,567 nil	nil	nil	nil	nil
Robert T. Kittel ⁽⁷⁾	231,759 ⁽⁴⁾ 165,879 ⁽⁵⁾	C\$22.98 C\$31.38	December 15, 2026 December 15, 2027	\$425,664 nil	nil	nil	nil	nil
Richard DiBlasi	nil	nil	nil	nil	nil	nil	nil	nil
Ian W. Delaney	154,506 ⁽⁴⁾ 107,808 ⁽⁵⁾	C\$22.98 C\$31.38	December 15, 2026 December 15, 2027	\$283,776 nil	nil	nil	15,983 ⁽²⁾	\$297,049 ⁽²⁾

Notes:

- (1) Based on the TSXV closing price of C\$25.50 for the Common Shares on December 31, 2025, the last day of trading on the TSXV in 2025 (the “**2025 TSXV Ending Trading Date**”). None of the 2024 SARs are in-the-money.
- (2) Represents the 15,983 DSUs held by Mr. Delaney based on the TSXV closing price of C\$25.50 for the Common Shares on the 2025 TSXV Ending Trading Date.
- (3) Converted from Canadian dollars to United States dollars based on the 2025 Ending Exchange Rate.
- (4) Represents the 2023 SARs. Each SAR entitles the holder thereof to receive, upon exercise, a cash payment equal to the excess if any of (a) the Market Price of a Common Share on the date such SAR is exercised, over (b) the exercise price of C\$22.98, multiplied by the number of SARs being exercised, less any amount required to be withheld by applicable law.
- (5) Represents the 2024 SARs. Each SAR entitles the holder thereof to receive, upon exercise, a cash payment equal to the excess if any of (a) the Market Price of a Common Share on the date such SAR is exercised, over (b) the exercise price of C\$31.38, multiplied by the number of SARs being exercised, less any amount required to be withheld by applicable law.
- (6) Mr. MacNeil served as Chief Financial Officer of the Corporation from 2015 until April 3, 2025, as an employee of WCSC from April 3, 2025 to May 1, 2025 and as a consultant of the Corporation from May 1, 2025 to June 30, 2025 pursuant to the MacNeil ICA. Mr. Skurbe served as Chief Financial Officer of the Corporation from April 3, 2025 to April 1, 2026, and has served as President and Chief Operating Officer of the Corporation since April 1, 2026.
- (7) Mr. Kittel served as Chief Operating Officer of WCSC until April 3, 2025, and as an employee of WCSC from April 3, 2025 to April 30, 2025.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table provides information regarding the value on pay-out or vesting of incentive plan awards for the Named Executive Officers for the financial year ended December 31, 2025.

Name	Option-based awards – Value vested during the year	Share-based awards – Value vested during the year	Non-equity incentive plan compensation – Value earned during the year ⁽¹⁾
J. Cameron MacDonald	nil	nil	\$1,400,000
Matthew Skurbe ⁽²⁾	nil	nil	\$1,225,000
Glenn G. MacNeil ⁽²⁾	nil	nil	\$87,782
Robert T. Kittel ⁽³⁾	nil	nil	\$239,482
Richard DiBlasi	nil	nil	nil
Ian W. Delaney	nil	\$180,000 ⁽⁴⁾	nil

Notes:

- (1) Represents 2025 annual bonuses.

- (2) Mr. MacNeil served as Chief Financial Officer of the Corporation from 2015 until April 3, 2025, as an employee of WCSC from April 3, 2025 to May 1, 2025 and as a consultant of the Corporation from May 1, 2025 to June 30, 2025 pursuant to the MacNeil ICA. Mr. Skurbe served as Chief Financial Officer of the Corporation from April 3, 2025 to April 1, 2026, and has served as President and Chief Operating Officer of the Corporation since April 1, 2026.
- (3) Mr. Kittel served as Chief Operating Officer of WCSC until April 3, 2025, and as an employee of WCSC from April 3, 2025 to April 30, 2025.
- (4) Represents director fees paid to Mr. Delaney in the form of DSUs.

Pension Plan Benefits

As of December 31, 2025, there did not exist a pension plan for the Named Executive Officers that provided for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefits

Other than as described herein, the Corporation does not have any contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer at, following, or in connection with a termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Corporation or a change in a Named Executive Officer's responsibilities.

The services of J. Cameron MacDonald, were provided under an amended and restated executive employment agreement between Mr. MacDonald, The Westaim Corporation of America (the "**U.S. Employer**") and Westaim (the "**MacDonald Executive Employment Agreement**").

Under the MacDonald Executive Employment Agreement, Mr. MacDonald is entitled to receive an annual base salary. Additionally, Mr. MacDonald is eligible to receive an annual bonus, participate in any equity-based compensation plans for senior employees and executives for the employment services rendered to Westaim in Canada and participate in any life insurance, disability, health, dental and accident plans ("**Benefits Coverage**") maintained by the Corporation for its employees generally, subject to satisfying any eligibility requirements and to the terms and conditions of those plans, as may be amended from time to time.

Mr. MacDonald's employment may be terminated for cause, or without cause.

In the event of a termination for cause, Mr. MacDonald shall receive a payment of any base salary and vacation pay earned to the date of termination. All other entitlements of Mr. MacDonald as of the date of termination shall be automatically extinguished, except for such minimum mandated entitlements, if any, that are required by the *Employment Standards Act, 2000* (Ontario), as it may be amended from time to time (the "**ESA**").

Mr. MacDonald's employment may be terminated without cause at any time. Except upon a Change of Control (as defined below), in such event, Mr. MacDonald will not receive working notice of termination, but instead shall receive the following compensation: (a) 12 months of base salary; (b) an amount equivalent to the average of the Annual Bonus (as defined below) earned by Mr. MacDonald in each of his three most recently completed years of employment with the Corporation; (c) vacation pay earned to the date of termination; (d) subject to the approval of the Corporation's insurance providers, Benefits Coverage for the period reflected in (a) or until Mr. MacDonald obtains alternate employment which provides equivalent or greater benefit coverage, whichever is the shorter period. In all cases, such benefits will continue during the minimum notice period prescribed by the ESA (the "**ESA Notice Period**"). In the event that the Corporation's insurance providers do not approve such continuation, the Corporation shall provide substitute benefits or adjust Mr. MacDonald's compensation in lieu of such Benefits Coverage; (e) subject to the approval of the Corporation's insurance providers, disability insurance benefits coverage to the extent in effect on the date of termination during the ESA Notice Period, provided that in the event that the Corporation's insurance providers do not approve of such continuation, the Corporation shall provide substitute benefits or adjust Mr. MacDonald's compensation in lieu of such benefits; (f) if, at the time of termination of employment, Mr. MacDonald is in receipt of short-term disability or long-term disability benefits, subject to any right of set-off of the Corporation's insurance providers, the amount of such benefits received by Mr. MacDonald during the period reflected in (a) shall not be deducted from the amount of compensation in lieu of notice otherwise payable under (a), subject at all times to the ESA Notice Period; and (g) any other minimum entitlements under the ESA. For the purposes of the MacDonald Executive Employment Agreement, the term "**Annual Bonus**" shall mean the annual bonus, less applicable deductions

and withholdings, that Mr. MacDonald is eligible for with respect to employment services rendered to the Corporation in Canada. The Mr. MacDonald's eligibility for such Annual Bonus will be subject to meeting certain criteria as determined by the Board, and in respect of any particular calendar year, the Board, acting reasonably, retains complete discretion as to whether or not to pay Mr. MacDonald an Annual Bonus, the amount of any such Annual Bonus in respect of any particular year, and the timing of the payment of any such Annual Bonus. Except as otherwise provided in the MacDonald Executive Employment Agreement, the Annual Bonus shall form no part of Mr. MacDonald's entitlement on termination of employment, except to the minimum mandatory extent, if any, required by the ESA.

"Change of Control" means, with respect to Westaim, one of or a combination of two or more of the following: (i) the acquisition by any persons or group of persons, acting jointly or in concert, of more than 50% of the voting securities of the Corporation; (ii) the sale of all or substantially all of the assets of the Corporation; (iii) a merger, amalgamation or business combination involving the Corporation; or (iv) the individuals who, as of the date of the MacDonald Executive Employment Agreement constitute the Board ceasing to constitute at least a majority thereof, unless the election or nomination for election, by the Shareholders, of each new Board member was approved by a majority of the Board members then still in office.

"Good Reason" means: (i) a material breach of the MacDonald Executive Employment Agreement by the Corporation; (ii) without the express written consent of Mr. MacDonald, a material reduction in his total annual compensation; (iii) without the express written consent of Mr. MacDonald, the assignment to him of any titles, duties, responsibilities or reporting obligations inconsistent with his titles, positions, duties, responsibilities and reporting obligations immediately prior to a Change of Control or any removal of Mr. MacDonald from, or failure to re-elect Mr. MacDonald to, titles, positions, directorships, duties, responsibilities, and reporting obligations with the Corporation, except in connection with the termination of Mr. MacDonald's employment for just cause, or resignation other than for Good Reason; (iv) without the express written consent of Mr. MacDonald, a permanent relocation of the Corporation's current offices to any place which is more than fifty kilometers away from its current location and where there is a material change to Mr. MacDonald's existing workplace practice and arrangement with the Corporation; or (v) any reason which would be considered to amount to constructive dismissal by a Court of competent jurisdiction.

In the event that: (i) the Corporation terminates Mr. MacDonald's employment without cause upon or in anticipation of a Change of Control or within six months thereafter (provided that any termination of Mr. MacDonald's employment within the three month period prior to a Change of Control shall be deemed, unless there is reasonable evidence to the contrary, to have occurred in anticipation of such Change of Control); or (ii) Mr. MacDonald terminates his employment for Good Reason upon the Change of Control or within six months thereafter (in either case, a **"Change of Control Termination"**), Mr. MacDonald shall be provided with:

- (i) 24 months' base salary, plus an amount equivalent to two times the average of the Annual Bonus earned by Mr. MacDonald in each of his three most recently completed years of employment with the Corporation (which for certainty, shall not include any one-time, extraordinary or non-recurring discretionary bonuses, such as for the sale of a business, or a transaction or financing);
- (ii) vacation pay earned to the date of termination;
- (iii) subject to the approval of the Corporation's insurance providers, Benefits Coverage for the period reflected in (i) above or until he obtains alternate employment which provides equivalent or greater benefit coverage, whichever is the shorter period. In all cases, such benefits will continue during the ESA Notice Period. In the event that the Corporation's insurance providers do not approve of such continuation, the Corporation shall provide substitute benefits or adjust Mr. MacDonald's compensation in lieu of such benefits;
- (iv) subject to the approval of the Corporation's insurance providers, disability insurance benefits coverage to the extent in effect on the date of termination during the ESA Notice Period, provided that in the event that the Corporation's insurance providers do not approve of such continuation, the Corporation shall provide substitute benefits or adjust Mr. MacDonald's compensation in lieu of such benefits;

- (v) if, at the time of termination of employment, Mr. MacDonald is in receipt of short-term disability or long-term disability benefits, subject to any right of set-off of the Corporation's insurance providers, the amount of such benefits received by Mr. MacDonald during the period reflected in (i) above shall not be deducted from the amount of compensation in lieu of notice otherwise payable under (i), subject at all times to the minimum requirements of the ESA; and
- (vi) any other minimum entitlements under the ESA.

The foregoing entitlements are in lieu of and replace Mr. MacDonald's entitlements in connection with a termination without cause and the resignation by Mr. MacDonald, as applicable.

Except in the circumstances described above in a Change of Control, Mr. MacDonald shall also be entitled to terminate the MacDonald Executive Employment Agreement at any time and for whatever reason, upon providing six months' written notice to Westaim and the U.S. Employer. The Corporation and the U.S. Employer shall be entitled, in its sole discretion, to accept such resignation effective immediately, upon providing Mr. MacDonald with an amount equivalent to the base salary Mr. MacDonald would have received during the notice period waived. If the Corporation and the U.S. Employer waives the resignation notice period, Mr. MacDonald may immediately obtain alternate employment elsewhere, subject at all times to his post-employment obligations to the Corporation outlined in the MacDonald Executive Employment Agreement and at common law. Notwithstanding the reference to six months' written notice, the Corporation and the U.S. Employer will be accepting of lesser notice in its sole discretion where, acting reasonably, there are bona fide personal health or other valid reasons for such lesser notice by Mr. MacDonald.

Upon termination of Mr. MacDonald's employment for any reason, Mr. MacDonald shall cease to be and shall immediately resign as an officer and director, if applicable, of Westaim and its subsidiaries (including the U.S. Employer).

Mr. MacDonald's participation in the Corporation's equity-based compensation plans will be governed by the terms and conditions of the applicable plans, and is subject to any decision on the part of Westaim to alter, or discontinue the applicable plans. Compensation under the Corporation's equity-based compensation plans shall form no part of Mr. MacDonald's entitlement on termination of employment, except to the minimum mandatory extent, if any, required by the ESA.

The award agreements in respect of outstanding SARs provide that in the event of a termination by the Corporation or any affiliate other than for cause (in which case all unexercised SARs, vested or unvested, shall cease immediately), all SARs shall vest on the termination date and such SARs may be exercised any time prior to the earlier of the initial expiration date of such SARs and the first anniversary of the termination date. If Mr. MacDonald resigns, all SARs which have vested may be exercised by Mr. MacDonald at any time prior to the earlier of the initial expiration date of such SARs and the first anniversary of the termination date, and all SARs which have not vested shall cease immediately. In the event of death or disability, all SARs shall be deemed to be vested on the date of death or determination of disability and such SARs may be exercised: (i) if Mr. MacDonald is deceased, by the heirs of Mr. MacDonald or by legal personal representative(s) of the estate of Mr. MacDonald at any time prior to the earlier of the initial expiration date of such SARs and the first anniversary of the death of Mr. MacDonald; or (ii) by Mr. MacDonald at any time prior to the earlier of the initial expiration date of such SARs and the first anniversary of the determination of disability.

The MacDonald Executive Employment Agreement contains provisions relating to: (i) non-disclosure or use of the confidential information of the Corporation and the U.S. Employer, as applicable; (ii) for a period of 12 months from the date of termination, (A) non-solicitation, for the purposes of employment, of any employee of Westaim or the U.S. Employer with whom Mr. MacDonald had any dealings within the 18 months immediately preceding the date of termination; and (B) non-solicitation of any supplier or contractor of Westaim or the U.S. Employer with whom Mr. MacDonald had any dealings on behalf of Westaim or the U.S. Employer, within the 18 months immediately preceding the date of termination; or attempt in any way to persuade or induce any such person to enter into any alternative arrangement or to alter the nature of their arrangements with Westaim or the U.S. Employer; and (iii) exclusivity, in terms of Mr. MacDonald devoting himself exclusively to the business of the Corporation and the U.S. Employer, as applicable, and will not be employed or engaged in any capacity in any other business without the prior written consent of the Corporation or the U.S. Employer, as applicable.

On December 31, 2024, in connection with: (a) the Corporation redomiciling from Alberta, Canada to Delaware, United States, the MacDonald Executive Employment Agreement was assigned to WCSC; and (b) the dissolution of the U.S. Employer, the MacDonald Executive Employment Agreement was amended such that the rights and obligations of the U.S. Employer thereunder became the rights and obligations of Westaim.

Until April 30, 2025, each of Mr. Kittel and Mr. MacNeil had in place a written employment agreement pursuant to which he received an annual salary, and was eligible for an annual bonus, participate in any equity-based compensation and participate in any life insurance, disability, health, dental and accidental death and dismemberment plans maintained by the Corporation. In connection with Mr. Kittel's cessation of services with the Corporation ending on April 30, 2025, he received an aggregate of \$2,490,297, representing 24 months' salary, two times Mr. Kittel's annual bonuses (based on a three-year average), Mr. Kittel's pro-rated bonus for 2025 and the cost of 24 months of benefits coverage. In connection with Mr. MacNeil's cessation of services with the Corporation ending on April 30, 2025, he received an aggregate of \$1,174,196, representing 24 months' salary, two times Mr. MacNeil's annual bonuses (based on a three-year average), Mr. MacNeil's pro-rated bonus for 2025 and the cost of 24 months of benefits coverage. These amounts were paid in Canadian dollars and were converted into United States dollars based on the Bank of Canada exchange rate at the time of the applicable payments which were C\$1.38562 per \$1.00.

The following table sets out the total value of the compensation or other benefits (excluding perquisites and other personal benefits that do not exceed C\$50,000 in the aggregate) to be received by each Named Executive Officer, other than Messrs. MacNeil and Kittel who were not employed by the Corporation or a subsidiary thereof at December 31, 2025, if his employment was terminated as at December 31, 2025.

Name	Termination Without Cause ⁽¹⁾⁽²⁾	Change of Control Termination ⁽¹⁾⁽²⁾
J. Cameron MacDonald	\$1,964,848	\$3,929,696
Matthew Skurbe	nil ⁽³⁾	nil ⁽³⁾
Richard DiBlasi	nil ⁽⁴⁾	nil ⁽⁴⁾
Ian W. Delaney	nil ⁽⁵⁾	nil ⁽⁵⁾

Notes:

- (1) Does not include any vacation pay or benefits coverage earned to the date of termination.
- (2) All dollar amounts in the above table were converted from Canadian dollars to United States dollars based on the 2025 Ending Exchange Rate.
- (3) Mr. Skurbe does not have in place an arrangement that provides for payments to him at, following, or in connection with a termination, resignation, retirement, a change of control of the Corporation or a change in Mr. Skurbe's responsibilities.
- (4) The CSO Consultancy Agreement does not entitle Mr. DiBlasi to any payments at, following, or in connection with a termination, resignation, retirement, a change of control of the Corporation or a change in Mr. DiBlasi's responsibilities.
- (5) Mr. Delaney did not have an employment agreement. Accordingly, his entitlements on termination, if termination had occurred on December 31, 2025, would have been governed by common law as well as applicable employment standards legislation.

DIRECTOR COMPENSATION

Overview

The HR and Compensation Committee reviewed the competitiveness of Westaim's director compensation levels in the marketplace and effective January 1, 2024, based on its recommendation, the Board approved the following compensation levels for the Corporation's directors:

Position	Total Compensation (US\$)
Lead Director	\$200,000
Board member	\$175,000
Audit Committee Chair	\$25,000
Audit Committee member	\$5,000
HR and Compensation Committee Chair	\$15,000
HR and Compensation Committee member	\$5,000
Corporate Governance Committee Chair	\$15,000
Corporate Governance Committee member	\$5,000

Each director is entitled to elect to receive all or any portion of his or her fees in DSUs, which election is to be made by December 31 of the year prior to the year the fees are earned. Such DSUs are issued based on the closing price of the Common Shares on the TSXV in Canadian dollars (C\$) converted to US\$ based on the Bloomberg spot exchange rate on the last trading day of the relevant quarter, with the number of DSUs to be issued rounded up to the nearest whole number. Upon the issuance of such DSUs, the fees payable by the Corporation shall be deemed to have been paid in full by Westaim.

Director Compensation Table

The following table sets forth information concerning the annual and long-term compensation in respect of the directors of the Corporation, other than the directors who were also Named Executive Officers, during the financial year ended December 31, 2025. For details of the compensation for J. Cameron MacDonald, Richard DiBlasi, Matthew Skurbe and Ian W. Delaney, the Named Executive Officers who were also directors of the Corporation during the financial year ended December 31, 2025, see disclosure in the “*Summary Compensation Table*”.

Name	Fees earned⁽¹⁾	Share-based awards	Option-based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total compensation
Chinh Chu	\$136,511 ⁽²⁾	nil	nil	nil	nil	nil	\$136,511
Menes O. Chee	\$141,456 ⁽²⁾	nil	nil	nil	nil	nil	\$141,456
John W. Gildner	\$54,231 ⁽⁷⁾	nil	nil	nil	nil	nil	\$54,231
Lisa Mazzocco	\$56,813 ⁽⁶⁾	nil	nil	nil	nil	\$148,352 ⁽⁸⁾	\$205,165
Deanna Mulligan	\$127,404 ⁽⁵⁾	nil	nil	nil	nil	nil	\$127,404
Douglas Newton	\$145,179 ⁽²⁾	nil	nil	nil	nil	nil	\$145,179
Kevin E. Parker	\$188,874 ⁽²⁾	nil	nil	nil	nil	nil	\$188,874
Michael Siegel	\$199,904 ⁽³⁾	nil	nil	nil	nil	nil	\$199,904
Bruce V. Walter	\$186,291 ⁽⁴⁾	nil	nil	nil	nil	nil	\$186,291

Notes:

- (1) All directors’ fees are denominated in United States dollars and were paid quarterly on the last day of each quarter and, for the purpose of the above table, fees (based on the trading price of the Common Shares) were converted from Canadian dollars into United States dollars based on the Bloomberg spot exchange rate for March 31, 2025 of C\$1.43755 per \$1.00, June 30, 2025 of C\$1.36245 per \$1.00, September 30, 2025 of C\$1.39195 per \$1.00 and the Bloomberg spot exchange rate as at the last business day of 2025, being December 31, 2025, which was C\$1.37205 per \$1.00 (the “**2025 Ending Exchange Rate**”). Each director can elect to convert their quarterly directors’ fees into DSUs at the TSXV closing price of the Common Shares on the last day of the applicable quarter of C\$31.51 on March 31, 2025 (“**Q1 2025**”), C\$30.76 on June 30, 2025 (“**Q2 2025**”), C\$28.73 on September 30, 2025 (“**Q3 2025**”) and C\$25.50 on the 2025 TSXV Ending Trading Date (“**Q4 2025**”). For Mr. Gildner and Ms. Mazzocco who ceased being directors of the Corporation on April 3, 2025, their stub period DSU issuance (i.e.; from April 1, 2025 to April 3, 2025) was based on the TSXV closing price of the Common Shares on April 3, 2025, which was C\$29.81.
- (2) Messrs. Chee, Chu, Newton and Parker received their directors’ fees in cash.
- (3) Based on the formula outlined in note (1) above, Mr. Siegel’s fees were converted into DSUs as follows: (a) 2,111 DSUs in respect of Q1 2025; (b) 2,266 DSUs in respect of Q2 2025; (c) 2,484 DSUs in respect of Q3 2025; and (d) 2,758 DSUs in respect of Q4 2025.
- (4) Based on the formula outlined in note (1) above, Mr. Walter’s fees were converted into DSUs as follows: (a) 2,168 DSUs in respect of Q1 2025; (b) 2,051 DSUs in respect of Q2 2025; (c) 2,241 DSUs in respect of Q3 2025; and (d) 2,489 DSUs in respect of Q4 2025.
- (5) Ms. Mulligan became a director of the Corporation on April 3, 2025. Based on the formula outlined in note (1) above, Ms. Mulligan’s fees were converted into DSUs as follows: (a) 1,768 DSUs from April 9, 2025 to June 30, 2025 (with a cash payment to Ms. Mulligan of \$2,884.62 for the period April 3, 2025 to April 8, 2025); (b) 2,120 DSUs in respect of Q3 2025; and (c) 2,355 DSUs in respect of Q4 2025.
- (6) Ms. Mazzocco was a director of the Corporation until April 3, 2025. Based on the formula outlined in note (1) above, Ms. Mazzocco’s fees were converted into DSUs as follows: (a) 2,596 DSUs in respect of Q1 2025; and (b) 86 DSUs from April 1, 2025 to April 3, 2025.
- (7) Mr. Gildner ceased being a director of the Corporation on April 3, 2025. Based on the formula outlined in note (1) above, Mr. Gildner’s fees were converted into DSUs as follows: (a) 2,396 DSUs in respect of Q1 2025; and (b) 82 DSUs from April 1, 2025 to April 3, 2025.
- (8) Represents Ms. Mazzocco’s fees received as a director of AIGH. She became a director of AIGH on April 3, 2025. She receives her AIGH director fees in the form of DSUs. Based on the formula outlined in note (1) above, Ms. Mazzocco’s AIGH director fees were converted into DSUs as follows: 7,256 DSUs in respect of Q4 2025.

Outstanding Option-Based and Share-Based Awards

The following table shows all outstanding option-based and share-based awards held by each director (other than the directors who were also Named Executive Officers and for whom the identical information is shown on the comparable table for Named Executive Officers set out above) as at December 31, 2025.

Name	Option-based Awards				Share-based Awards			
	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested	Number of shares or units of shares that have vested ⁽¹⁾	Market or payout value of vested share-based awards not paid or distributed ⁽²⁾ ⁽³⁾
Chinh Chu	nil	nil	nil	nil	nil	nil	nil	nil
Menes O. Chee	nil	nil	nil	nil	nil	nil	nil	nil
John W. Gildner ⁽⁴⁾	nil	nil	nil	nil	nil	nil	94,949	\$1,764,658
Lisa Mazzocco ⁽⁴⁾	nil	nil	nil	nil	nil	nil	42,484	\$789,579
Deanna Mulligan	nil	nil	nil	nil	nil	nil	6,243	\$116,028
Douglas Newton	nil	nil	nil	nil	nil	nil	nil	nil
Kevin E. Parker	nil	nil	nil	nil	nil	nil	nil	nil
Michael Siegel	nil	nil	nil	nil	nil	nil	19,809	\$368,157
Bruce V. Walter	nil	nil	nil	nil	nil	nil	75,870	\$1,410,069

Notes:

- (1) Represents DSUs held by such director.
- (2) All dollar amounts in the above table were converted from Canadian dollars to United States dollars based on the 2025 Ending Exchange Rate.
- (3) Based on the TSXV closing price of C\$25.50 for the Common Shares on the 2025 TSXV Ending Trading Date.
- (4) Mr. Gildner and Ms. Mazzocco ceased being directors of the Corporation on April 3, 2025.

Value of Awards Vested or Earned During the Year

The following table provides information regarding the value on pay-out or vesting of incentive plan awards in the form of DSUs for each director (other than the directors who are also Named Executive Officers and for whom the identical information appears on the comparable table for Named Executive Officers set out above) for the financial year ended December 31, 2025. The following directors of the Corporation elected to receive DSUs in lieu of fees otherwise payable in cash.

Name	Option-based awards – Value vested during the year	Share-based awards – Value vested during the year	Non-equity incentive plan compensation – Value earned during the year
Chinh Chu	nil	nil	nil ⁽²⁾
Menes O. Chee	nil	nil	nil ⁽²⁾
John W. Gildner	nil	\$54,231 ⁽¹⁾	nil
Lisa Mazzocco	nil	\$205,165 ⁽¹⁾	nil
Deanna Mulligan	nil	\$127,404 ⁽¹⁾	nil
Douglas Newton	nil	nil	nil ⁽²⁾

Name	Option-based awards – Value vested during the year	Share-based awards – Value vested during the year	Non-equity incentive plan compensation – Value earned during the year
Kevin E. Parker	nil	nil	nil ⁽²⁾
Michael Siegel	nil	\$199,904 ⁽¹⁾	nil
Bruce V. Walter	nil	\$186,291 ⁽¹⁾	nil

Notes:

- (1) Reflects quarterly director's fees earned during the year converted from Canadian dollars into United States dollars based on the Bloomberg 3:00 p.m. exchange rate for March 31, 2025, of C\$1.43755 per \$1.00, June 30, 2025, of C\$1.36245 per \$1.00, September 30, 2025, of C\$1.39195 per \$1.00 and the 2025 Ending Exchange Rate of C\$1.37205 per \$1.00 and converted into DSUs, each at the applicable DSU conversion price for Q1 2025, Q2 2025, Q3 2025 and Q4 2025. For Mr. Gildner and Ms. Mazzocco who ceased being directors of the Corporation on April 3, 2025, their stub period DSU issuance (i.e.; from April 1, 2025 to April 3, 2025) was based on the TSXV closing price of the Common Shares on April 3, 2025, which was C\$29.81.
- (2) Director fees earned in 2025 for Messrs. Chu, Chee, Newton and Parker were paid in cash.

STATEMENT OF CORPORATE GOVERNANCE

Under the Canadian Securities Administrators' National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101"), the Corporation is required to disclose certain information relating to its corporate governance practices. This information is set forth below.

Board of Directors

The Board has determined that five of the eleven current directors, are "independent", within the meaning of NI 58-101. The five independent directors of the Corporation are Kevin E. Parker, Michael Siegel, Bruce V. Walter, Douglas Newton and Menes O. Chee. Each of the following directors are not considered to be independent:

- Ian W. Delaney, who served as Executive Chair of the Corporation until December 31, 2024 and Chair of the Board from January 1, 2025 to April 3, 2025 and has served as Vice Chair of the Board since April 3, 2025;
- J. Cameron MacDonald, who has served as the Chief Executive Officer of the Corporation since April 2009;
- Matthew Skurbe, who served as the Chief Financial Officer and Chief Risk Officer of the Corporation from April 3, 2025 to April 1, 2026, and has served as President and Chief Operating Officer of the Corporation since April 1, 2026;
- Richard DiBlasi, who has served as the Chief Strategy Officer of the Corporation since November 1, 2024;
- Chinh Chu, who has served as the Executive Chair of the Corporation since April 3, 2025; and
- Deanna Mulligan, who has served as the Chief Executive Officer of Ceres Life Insurance Company since October 2024.

Directorships

The following directors of the Corporation currently serve on the board of directors of other issuers that are reporting issuers (or the equivalent) which are set out below

<u>Director</u>	<u>Reporting Issuer</u>
Kevin E. Parker	RUSAL
Chinh Chu	Getty Images Holdings, Inc.

Orientation and Continuing Education

Immediately following appointment, new directors of the Corporation are provided with historic information, current strategic plans for the Corporation and materials summarizing issues relating to the Corporation. New directors are also briefed by the Chair of the Board, by the Chief Executive Officer of the Corporation, and by the Chair of the committees of the Board to which they are appointed, if any.

The Board and its committees receive periodic reports from Management and external advisors as to new developments regarding corporate governance and regarding other issues affecting the Corporation.

Ethical Business Conduct

The Board has adopted the Codes. The Codes are incorporated by reference into, and form an integral part of, this Information Circular. The Codes have been filed on and are accessible through SEDAR+ at www.sedarplus.ca and are also available on the Corporation's website at www.westaim.com. The Corporation will, upon request at 200 Park Avenue, 58th Floor, New York, New York 10166, Attention: Matthew Skurbe – President and Chief Operating Officer, provide a copy of the Codes free of charge to any securityholder of the Corporation. During the most recently completed fiscal year, no amendments were made to these Codes, and the Corporation granted no waivers of any of the provisions of these Codes.

The Board expects its directors, officers and employees to act ethically at all times and to acknowledge their adherence to the policies comprising the Codes. Any material issues regarding compliance with the Codes are brought forward by Management at either the Board or appropriate Board committee meetings, or are referred to the senior executive officers of the Corporation, as may be appropriate in the circumstances. The Board and/or appropriate committee or senior executive officers determine what remedial steps, if any, are required. Any waivers from the Codes that are granted for the benefit of a director or an employee may be granted only by the Board, the Corporate Governance Committee or the Audit Committee. No waiver has ever been granted under the Codes.

Each director of the Corporation must disclose all actual or potential conflicts of interest and refrain from voting on matters in which such director has a conflict of interest. In addition, the director must recuse himself or herself from any discussion or decision on any matter in which the director is precluded from voting as a result of a conflict of interest.

The Corporation has adopted a Disclosure Policy and an Insider Trading Policy (collectively, the “**Policies**”). The Corporation will, upon request at 200 Park Avenue, 58th Floor, New York, New York 10166, Attention: Matthew Skurbe – President and Chief Operating Officer, provide a copy of the Policies free of charge to any securityholder of the Corporation. The directors of the Corporation encourage and promote an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations, providing guidance to employees, directors and officers to help them recognize and deal with ethical issues, promoting a culture of open communication, honesty and accountability and ensuring awareness of disciplinary action for violations of ethical conduct.

Nomination of Directors

The Corporate Governance Committee is mandated to recruit and consider director candidates and to make recommendations to the Board. In so doing, the Corporate Governance Committee considers, in addition to any other factors it deems relevant: (i) the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess; (ii) the competencies and skills that the Board considers each existing director to possess; (iii) the competencies, skills and background each nominee will bring to the Board; (iv) the time that each nominee will have available to devote to the Corporation's business; and (v) whether the nominee will be an independent director. Directors are encouraged to identify potential candidates. An invitation to stand as a nominee for election to the Board will normally be made to a candidate by the Board through the Chair of the Corporation or his delegate.

The Corporate Governance Committee is currently composed of Menes O. Chee (Chair), Ian W. Delaney, Michael Siegel and Bruce V. Walter.

In addition to recruiting and considering director candidates, the Corporate Governance Committee's mandate includes annually reviewing the competencies, skills and personal qualities applicable to candidates to be considered for nomination to the Board. The objective of this review is to maintain the composition of the Board in a way that provides, in the judgment of the Board, the best mix of competencies, skills and experience to provide for the overall stewardship of the Corporation.

HR and Compensation Committee

The HR and Compensation Committee is currently composed of Douglas Newton (Chair), Richard DiBlasi and Kevin E. Parker.

The HR and Compensation Committee assists the Board in fulfilling its responsibilities relating to matters of human resources and compensation, including equity compensation. In addition, the HR and Compensation Committee is to review the Corporation's annual disclosure regarding executive compensation for inclusion where appropriate in the Corporation's disclosure documents. Lastly, the HR and Compensation Committee oversees the hiring of senior Management recruited from outside the Corporation, as well as the promotion of senior Management within the Corporation.

Investment Committee

The Board has established an Investment Committee that is currently comprised of Chinh Chu (Chair), Richard DiBlasi and Douglas Newton.

The Investment Committee is responsible for overseeing the investment activities of the Corporation and establishing and maintaining the Corporation's investment policy, including eligible products, concentration limits, investment valuation policies, and policies to ensure the investment portfolio remains adherent to risk management parameters established by the Corporation or a committee of the Board.

Audit Committee

The Audit Committee's Charter

The responsibilities and duties of the Audit Committee are set out in the Audit Committee's charter, the text of which is set forth in Appendix "B" to this Information Circular.

Composition of the Audit Committee

The Audit Committee consists of three members: Michael Siegel (Chair), Kevin E. Parker and Bruce V. Walter. All members of the Audit Committee are "independent" and "financially literate" for the purposes of National Instrument 52-110 – *Audit Committees* ("NI 52-110").

Relevant Education and Experience

The following is a description of the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee:

Michael Siegel – Mr. Siegel is the Founder and CEO of Legeis Capital, LLC, an advisory firm focused on the intersection of insurance and asset management. Prior to forming Legeis Capital, LLC, Michael was a Managing Director at RBC Capital Markets and served as the President & CEO of RBC Alternative Asset Management, LLC. He previously held investment management roles at hedge fund advisors CR Intrinsic Investors and DKR Capital. Michael began his career as a corporate and securities attorney at Covington & Burling LLP. He received a law degree from Harvard Law School and received his undergraduate degree in policy analysis and economics from Cornell University.

Bruce V. Walter – Mr. Walter is currently Chair of Nunavut Iron Ore, Inc., a position he has held since 2011. From 2008 to 2023, he served as Vice Chair of Centerra Gold Inc. From 2002 until 2007, he was a director and officer of

Dynatec Corporation, initially as Vice-Chair and from 2005 as President and Chief Executive Officer. Prior thereto Mr. Walter’s career included serving as President of Sherritt Inc., President and Chief Executive Officer of Plaintree Systems Inc., and Managing Director and Co-Head of the Media, Telecom & Technology investment and corporate banking group at BMO Nesbitt Burns. Mr. Walter also served as Vice-President of Horsham Corporation and was a partner in the predecessor law firm to Davies Ward Phillips & Vineberg LLP. Mr. Walter received his Juris. Doctor (J.D.) and Master of Business Administration degrees from York University in 1981. He received his PhD in law in 1985 from the University of Cape Town. Mr. Walter served as a member of the National Advisory Board of the Salvation Army from June 2011 to May 2023.

Kevin E. Parker – For a description on Mr. Parker’s education and experience, see “*Statement on Executive Compensation – Compensation Discussion and Analysis – Compensation Governance*”.

Pre-Approval of Audit and Non-Audit Services by Independent Auditors

The Audit Committee pre-approves all audit services provided to the Corporation by its independent auditors. The Audit Committee’s policy or practice regarding the pre-approval of non-audit services is that all such services shall be pre-approved by the Audit Committee as a whole or by the Chair of the Audit Committee, who must report all such pre-approvals to the Audit Committee at its next meeting following the granting thereof. Prior to the granting of any pre-approval, the Audit Committee or its Chair, as the case may be, must be satisfied that the performance of the services in question will not compromise the independence of the independent auditors.

Audit Committee Oversight

At no time since the commencement of the Corporation’s most recently completed financial year has a recommendation of the Audit Committee to nominate or compensate an external auditor not been accepted by the Board.

Audit Fees

The following table summarizes fees billed by the Corporation’s independent auditors: (a) Deloitte & Touche LLP with respect to the year ended December 31, 2025; and (b) Deloitte LLP with respect to the year ended December 31, 2024:

(in thousands of U.S. dollars)	2025	2024
Audit Fees ⁽¹⁾	\$3,240.2	\$318.4
Audit-Related Fees	\$100.0	-
Tax Fees	\$716.8	-
All Other Fees ⁽²⁾	-	\$206.4
Total Fees	\$4,057.0	\$524.8

Notes:

- (1) Includes reviews of quarterly consolidated financial statements.
- (2) Represents additional fees billed for consulting services related to accounting matters in connection with the CC Private Placement.

Exemption

The Corporation is relying upon the exemption in Section 6.1 of NI 52-110 with respect to the reporting obligations of “venture issuers”.

Assessments

The Corporate Governance Committee is responsible for making regular assessments of the overall performance, effectiveness and contribution of the Board and each committee, the Chair of the Corporation, each committee Chair and each director, and reporting on such assessments to the Board. The objective of the assessments is to ensure the continued effectiveness of the Board in the execution of its responsibilities and to contribute to a process of continuing improvement. In addition to any other matters the Corporate Governance Committee deems relevant, the assessments will consider in the case of the Board or a committee, the applicable mandate or charter, and in the case of individual directors, the applicable position descriptions, as well as the competencies and skills each individual director is expected to bring to the Board.

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

No director or executive officer of the Corporation, or any person who has held such a position since the beginning of the last completed financial year end of the Corporation, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors or the appointment of auditors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as described herein, to the knowledge of the Corporation, no “informed person”, proposed director, or any associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since January 1, 2025 or in any proposed transaction that has materially affected or would materially affect the Corporation or any of its subsidiaries. An “informed person” means, among others, (i) a director or executive officer of the Corporation or of a subsidiary of the Corporation, (ii) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation other than voting securities held by the person or company as underwriter in the course of a distribution; and (iii) a reporting issuer that has purchased, redeemed, or otherwise acquired any of its securities, for so long as it holds any of its securities.

On April 3, 2025, Westaim completed the CC Private Placement and certain other related transactions (including the Arena Reorganization described below). See “*Summary of Key Documents and Agreements*” in the Corporation’s management information circular dated November 19, 2024 (the “**November 2024 Circular**”) which section is incorporated herein by reference. The November 2024 Circular is accessible through SEDAR+ at www.sedarplus.ca and is also available on the Corporation’s website at www.westaim.com. The Corporation will, upon request at 200 Park Avenue, 58th Floor, New York, New York 10166, telephone: (416) 969-3337, Attention: Matthew Skurbe – President and Chief Operating Officer, provide a copy of the November 2024 Circular free of charge to any securityholder of the Corporation.

Prior to April 3, 2025, Bernard Partners, LLC (“**BP LLC**”), a limited liability company, had certain rights to earn equity ownership and/or profit distributions in respect of AIGH. On December 19, 2024, in connection with the CC Private Placement, Shareholders voted in favour of approving the restructuring of the ownership of AIGH (the “**Arena Reorganization**”). As part of the Arena Reorganization, on April 3, 2025, AIGH’s second amended and restated AIGH limited liability company agreement was amended and restated (the “**Third Amended and Restated AIGH LLCA**”) pursuant to which: (a) the Corporation became entitled to receive 49% of the net profits from and appreciation in AIGH; (b) BP LLC and certain other front office investment team members of Arena Investors, LP became entitled to receive 45% of the net profits from and appreciation in AIGH; and (c) CC Capital became entitled to receive 6% of the net profits from and appreciation in AIGH (all subject to a minimal distribution of \$3,500,000 to BP LLC as further set out in the Third Amended and Restated AIGH LLCA). As part of the Arena Reorganization, on April 3, 2025, AIGH and the Corporation entered into a contribution and exchange agreement, pursuant to which the Corporation contributed and assigned to AIGH a certain loan owing from Westaim to AIGH in exchange for additional equity interests of AIGH. As of the completion of the Arena Reorganization, the Corporation owns 100% of the equity interests of AIGH.

ADDITIONAL INFORMATION

Financial information is provided in the Financial Statements and management’s discussion and analysis of the results thereon. Securityholders wishing to receive a copy of such materials should mail a request to the Corporation at 405 200 Park Avenue, 58th Floor, New York, New York 10166, Attention: Matthew Skurbe – President and Chief Operating Officer.

Additional information relating to the Corporation is also available free of charge on SEDAR+ at www.sedarplus.ca.

APPENDIX “A” – AMENDED AND RESTATED LONG-TERM EQUITY INCENTIVE PLAN

(please see attached)

AMENDED AND RESTATED LONG-TERM EQUITY INCENTIVE PLAN
(original plan approved by the Shareholders on May 12, 2010)
(amended and restated by the Board of Directors on May 11, 2011,
December 20, 2012, May 14, 2014, March 31, 2016, April 13, 2022, March 29, 2023, November 15,
2024, May 8, 2025, August 21, 2025, December 24, 2025 and March 26, 2026)

THE WESTAIM CORPORATION

ARTICLE 1
PURPOSE

1.1 **Purpose.** The purpose of this long-term equity compensation plan of the Corporation is to advance the interests of the Corporation and its Affiliates by (a) attracting, rewarding and retaining highly competent persons as Employees, Directors, Officers, Consultants and Management Company Employees; (b) providing additional incentives to Employees, Directors, Officers, Consultants and Management Company Employees as determined by the Board by aligning their interests with those of the Corporation's shareholders; and (c) promoting the success of the Corporation's business.

1.2 **Effective Date and Replacement.** The Plan shall become effective upon the receipt of all required shareholder and regulatory approvals (the "**Effective Time**") and will replace the "Restricted Share Unit Plan" of the Corporation, the "2001 Deferred Share Unit Plan" of the Corporation, the "1996 Employee and Director Stock Option Plan" of the Corporation, the "Directors and Officers Share Purchase Program" of the Corporation, and the "Incentive Stock Option Plan" of the Corporation (collectively, the "**Prior Plans**"). All awards granted under the Prior Plans and which remain outstanding at the Effective Time will remain in full force and effect in accordance with their terms, however, following the Effective Time, no additional grants shall be made under the Prior Plans.

ARTICLE 2
DEFINED TERMS

2.1 **Definitions.** The following terms used herein shall have the following meanings:

"**Actively Employed**" means that the Participant must be employed by the Corporation or an Affiliate and in the event that a Participant's employment is terminated for any reason (whether lawful or otherwise, including, without limitation, by reason of resignation, retirement, death, frustration of contract, termination for Cause, termination without Cause, disability or constructive dismissal), Actively Employed shall only include the period up to the Participant's last day of work plus the period of statutory notice (if any) required by applicable employment standards legislation. For certainty, the period that the Participant is "Actively Employed" or the period of "Active Employment" does not include any period of contractual or common law reasonable notice in excess of any applicable statutory notice period;

"**Affiliate**" means (i) an entity which is an "affiliate" of the Corporation for the purposes of NI 45-106; and (ii) for so long as the Corporation beneficially owns, directly or indirectly, the majority of the limited partnership interests of Salem Group Partners, LP (A) Ceres Life Insurance Company (for so long as Ceres Life Insurance Company remains a "subsidiary" of Salem Group Partners, LP for the purposes of NI 45-106); (B) Salem Group Holdings, LLC (for so long as Salem Group Holdings, LLC remains a "subsidiary" of Salem Group Partners, LP for the purposes of NI 45-106);

and (C) any other Person that is a “subsidiary” of Salem Group Partners, LP for the purposes of NI 45-106;

“**Award**” means a Stock Appreciation Right, Restricted Share Unit, Deferred Share Unit, Option or Other Award granted pursuant to the Plan;

“**Black-Out Period**” means a time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain Persons as designated by the Corporation, including any holder of an Award;

“**Board**” means the board of directors of the Corporation or, if established and duly authorized to act in respect of the Plan, a committee of the board of directors of the Corporation;

“**Business Day**” means any day, other than a Saturday or a Sunday, on which the Exchange is open for trading;

“**Canadian Employee**” means an Employee or Director who, in respect of an Award, is subject to tax in Canada pursuant to the Tax Act, as reflected in the books and records of the Corporation;

“**Cause**” means (i) if the Participant is employed in Ontario, Canada, wilful misconduct, disobedience or wilful neglect of duty that is not trivial and has not been condoned by the Corporation or an Affiliate, as applicable; (ii) if the Participant is employed outside of Ontario, Canada, and has a written employment agreement with the Corporation or an Affiliate, “cause”, “just cause” or any other similar term as defined in that agreement; or (iii) if the Participant is employed outside of Ontario, Canada, and there is no such agreement or definition, or the Participant is a Consultant, means:

- (i) the wilful failure by the Participant to perform his or her duties with respect to the Corporation or an Affiliate, as applicable;
- (ii) theft, fraud, dishonesty or misconduct by the Participant involving the property, business or affairs of the Corporation or an Affiliate, as applicable, or in carrying out of the Participant’s duties with respect to the Corporation or an Affiliate, as applicable; or
- (iii) the material breach by the Participant of his or her employment agreement (if applicable), including the policies of the Corporation or an Affiliate, as applicable;

“**Change of Control**” means

- (i) with respect to the Corporation, the occurrence of any of the following:
 - (A) the sale by the Corporation of all of the assets of the Corporation or substantially all of the assets of the Corporation;
 - (B) the acquisition by any Person (whether from the Corporation or from any other Person) of Shares or other securities of the Corporation having rights of purchase, conversion or exchange into Shares which together with securities of the Corporation held by such Person, either alone or together with Persons “acting jointly or in concert” (as such phrase is defined by the *Securities Act*) with such Person, exceeds 50% of the issued and outstanding Shares, (assuming for this

test the purchase, conversion or exchange of such other securities, whether then purchasable, convertible or exchangeable or not, into the highest number of Shares, such Person or Persons would be entitled to), provided, that, for any Awards granted on or after December 24, 2025, for purposes of such an acquisition by CC Capital Partners, LLC or its Affiliates, "50%" shall be replaced with "85%";

- (C) the amalgamation of the Corporation with or into any one or more other corporations (other than: (1) an amalgamation of the Corporation with or into a subsidiary (as such term is defined in the Securities Act) of the Corporation; or (2) an amalgamation or merger of the Corporation unanimously recommended by the Board provided that the former holders of Shares receive, in the aggregate and in their capacities as such, shares of the amalgamated corporation having attached thereto not less than 50% of the votes attached to all shares of such amalgamated or merged corporation);
 - (D) the election at a meeting of the Corporation's shareholders of that number of Persons which would represent a majority of the Board, who are not included in the slate for election as directors proposed to the Corporation's shareholders by the Corporation; or
 - (E) the completion of any transaction or the first of a series of transactions which would have the same or similar effect as any transaction or series of transactions referred to in subsections (A), (B), (C) referred to above; or
- (ii) with respect to an Affiliate, such entity ceasing to be an "Affiliate" of the Corporation within the meaning of the Plan.

Notwithstanding the foregoing, with respect to the payment of any amount that constitutes a deferral of compensation subject to Section 409A of the Code payable upon a Change of Control, a Change of Control shall not be deemed to have occurred, unless the Change of Control constitutes a change in the ownership or effective control of the Corporation or Affiliate, as applicable, or in the ownership of a substantial portion of the assets of the Corporation or Affiliate, as applicable, under Section 409A(a)(2)(A)(v) of the Code;

"Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time, including the rules and regulations thereunder and any successor provisions, rules and regulations thereto;

"Consultant" means an individual (other than an Employee or a Director) or Company (as such term is defined in the Exchange's Corporate Finance Manual Policy 1.1 - Interpretation), that:

- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or an Affiliate, other than services provided in relation to a distribution of securities;
- (ii) provides the services under a written contract with the Corporation or an Affiliate and the individual or the Company, as the case may be; and

- (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or an Affiliate;

"Corporation" means The Westaim Corporation, a Delaware corporation, and any successor corporation;

"Deferred Share Units" has the meaning set out in Section 11.1;

"Director" means a member of the board of directors of the Corporation or of any of its Affiliates;

"Disqualifying Disposition" means any disposition (including any sale) of Shares acquired upon the exercise of an Incentive Stock Option made within the period that ends either (1) two years after the date on which the Participant was granted the Incentive Stock Option or (2) one year after the date upon which the Participant acquired the Shares;

"Eligible Person" means any Director, Officer, Employee, Management Company Employee or Consultant of the Corporation or any Affiliate determined by the Board as eligible for participation in the Plan; provided, that (i) with respect to any Award that is intended to qualify as a "stock right" that does not provide for a "deferral of compensation" each within the meaning of Section 409A of the Code, the term "Affiliate" as used in this definition shall include only those corporations or other entities in a chain of corporations or other entities in which each corporation or other entity has a controlling interest in another corporation or other entity in the chain, ending with the corporation or other entity that has a controlling interest in such corporation or other entity, as determined in accordance with Section 409A of the Code, and (ii) with respect to any Award that is intended to be an Incentive Stock Option, the term "Affiliate" as used in this definition shall include only those entities that qualify as a "subsidiary corporation" with respect to the Corporation within the meaning of Section 424(f) of the Code;

"Employee" means an individual who is considered an employee of the Corporation or its Affiliates for the purposes of the Tax Act or the Code, as applicable;

"Exchange" means the TSX Venture Exchange or, if the Shares are not then listed and posted for trading on the TSX Venture Exchange, on such stock exchange on which such Shares are listed and posted for trading as may be selected for such purpose by the Board;

"Exercise Criteria" means the criteria, if any, established by the Board in relation to an Award, which criteria are to be achieved by a Participant in respect of that particular Award and which criteria may, without limitation, include vesting periods and criteria based on performance of the Shares in the market, financial performance by the Corporation and/or by a specific business unit of the Corporation and other corporate or individual measures;

"Exercise Notice" has the meaning set out in Section 7.5(a);

"Fixed Term" means the period of time during which an Option must be exercised pursuant to the terms of the Plan;

"Incentive Stock Option" means an Option intended to qualify as an "incentive stock option" within the meaning of Section 422 of the Code;

"Insider" means:

- (i) a director or senior officer of the Corporation;
- (ii) a director or senior officer of an entity that is itself an Insider or a subsidiary of the Corporation;
- (iii) a Person that beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation; or
- (iv) the Corporation itself if it holds any of its own securities;

"Investor Relations Service Provider" has the meaning set out in the TSX Venture Exchange's Corporate Finance Manual Policy 4.4 – *Security Based Compensation*;

"Management Company Employee" means an individual employed by a Consultant providing management services to the Corporation, who is required for the ongoing successful operation of the business enterprise of the Corporation;

"Market Price" as at any date means the last closing price of the Shares on the Exchange on the relevant date. In the event that the Shares are not then listed and posted for trading on any Exchange, the Market Price in respect thereof shall be the fair market value of such Shares as determined by the reasonable application by the Board of a reasonable valuation method consistent with Section 409A of the Code;

"Net Exercise" has the meaning set out in Section 7.5(c);

"NI 45-106" means National Instrument 45-106 - *Prospectus Exemptions*;

"Nonqualified Stock Option" means an Option not intended to be an Incentive Stock Option;

"Offer" has the meaning set out in Section 6.1;

"Officer" means a senior officer of the Corporation or an Affiliate;

"Option" means an option granted to purchase Shares under the terms of the Plan;

"Option Price" means the price per share at which Shares may be purchased under an Option or based on which the SAR Amount is determined, as the same may be adjusted from time to time in accordance with Article 6 hereof;

"Other Awards" has the meaning set out in Section 12.1;

"Participant" means an Eligible Person who holds an Award under the terms of the Plan;

"Payout Date" in respect of a Deferred Share Unit means ten Business Days following the Termination Date;

"Person" means any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, or other entity;

"Plan" means this long-term equity compensation plan;

"Release Date" means:

- (i) in respect of an RSU Grant to a Canadian Employee, unless otherwise determined by the Board, either (A) the date which is ten Business Days following each anniversary of the RSU Effective Date, or (B) the date which is ten Business Days following the third anniversary of the RSU Effective Date, as specified in the Award agreement, provided however that, except as specified in the Award agreement, such date shall not be after the end of the Participant's third taxation year following the taxation year in which such RSU Effective Date occurred; and
- (ii) in respect of an RSU Grant to an Eligible Person who is not a Canadian Employee, unless otherwise determined by the Board, either (A) the date which is ten Business Days following each anniversary of the RSU Effective Date, or (B) the date which is ten Business Days following the fifth anniversary of the RSU Effective Date, as specified in the Award agreement, provided however that, except as specified in the Award agreement, such date shall not be after the end of the Participant's fifth taxation year following the taxation year in which such RSU Effective Date occurred;

"Restricted Share Units" has the meaning set out in Section 10.1;

"RSU Effective Date" means the date which the Board determines will be the date on which the RSU Grant will take effect;

"RSU Grant" means the grant of Restricted Share Units allocated to a Participant at any time in accordance with the Plan;

"RSU Grant Period" means the period established by the Board in respect of each RSU Grant, which period shall commence on the RSU Effective Date and end on the date designated by the Board; provided however that, in respect of a grant to a Canadian Employee, such period will not in any case exceed three years;

"SAR Amount" has the meaning set out in Section 8.2;

"Securities Act" means the *Securities Act* (Ontario), as may be amended from time to time;

"Service Recipient" means, with respect to a Participant holding an Award, either the Corporation or an Affiliate by which the original recipient of such Award is, or following a Termination Date was most recently, principally employed or to which such original recipient provides, or following a Termination Date was most recently providing, services, as applicable;

"Share Compensation Arrangement" means any stock option plan, employee stock purchase plan, stand-alone stock option, long-term incentive plan or any other compensation or incentive mechanism of the Corporation (in each case, other than the Plan) involving the issuance or potential issuance of Shares from treasury, including a share purchase from treasury by a full-time

employee, director, officer, Insider, or Consultant which is financially assisted by the Corporation or its subsidiaries by way of a loan, guarantee or otherwise, including the Prior Plans;

“Share Purchase Program” has the meaning set out in Section 9.1;

“Shares” mean the common shares of the Corporation as currently constituted or, in the event of an adjustment as contemplated by Article 6, such other shares or securities to which a Participant may be entitled or on which the value of an Award may be based, as a result of such adjustment. For certainty, numbers contemplated herein are after giving effect to the consolidation of the Shares and the redomiciling of the Corporation that occurred on December 31, 2024;

“SPP Eligible Person” means any Eligible Person determined by the Board as eligible to participate in the Share Purchase Program;

“Stock Appreciation Rights” has the meaning set out in Section 8.1;

“Subscription Amount” has the meaning set out in Section 10.6;

“Surrender” has the meaning set out in Section 7.5(d);

“Tax Act” means the *Income Tax Act* (Canada) as amended from time to time; and

“Termination Date” means the date a Participant ceases to be, for any reason, (i) in the context of a Deferred Share Unit, an Employee or a Director; and (ii) in all other contexts herein, an Eligible Person, unless otherwise provided herein. For certainty, in the case of an Employee, the Termination Date shall be the last day on which the Employee is Actively Employed by the Corporation or an Affiliate, as applicable, where it is reasonably expected that no further services will be performed (and, for the avoidance of doubt, does not include any period of contractual or reasonable notice beyond any statutory period of notice or any period of salary continuance or deemed employment beyond any statutory period of notice, whether imposed by a court of otherwise). For further certainty, an Employee’s absence from active work during a period of vacation, temporary illness, authorized leave of absence, statutory leave of absence or disability leave shall not be considered to result in a Termination Date. Notwithstanding anything herein to the contrary, with respect to a Participant located in the United States, a Participant’s change in status in relation to the Service Recipient (for example, a change from Employee to Consultant) shall not be deemed a cessation of services hereunder with respect to any Awards constituting “nonqualified deferred compensation” subject to Section 409A of the Code that are payable upon a cessation of services unless such change in status constitutes a “separation from service” within the meaning of Section 409A of the Code. Any payments in respect of an Award constituting nonqualified deferred compensation subject to Section 409A of the Code that are payable upon a cessation of services shall be delayed for such period as may be necessary to meet the requirements of Section 409A(a)(2)(B)(i) of the Code. On the first Business Day following the expiration of such period, the Participant shall be paid, in a single lump sum without interest, an amount equal to the aggregate amount of all payments delayed pursuant to the preceding sentence, and any remaining payments not so delayed shall continue to be paid pursuant to the payment schedule applicable to such Award.

ARTICLE 3 ADMINISTRATION OF PLAN

3.1 **General.** This Plan shall be administered by the Board which shall have the power, subject to the specific provisions of the Plan:

- (a) to establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Plan;
- (b) to interpret and construe the Plan and to determine all questions arising out of the Plan and any Award granted pursuant to the Plan, where every such interpretation, construction or determination made by the Board shall be final, binding and conclusive for all purposes;
- (c) to determine the Eligible Persons to whom Awards are granted and to grant Awards;
- (d) to determine the number of Awards;
- (e) to determine the Exercise Criteria, if any, in respect of an Award;
- (f) to determine the Option Price of an Option or a SAR provided that the Option Price shall not be less than the Market Price, unless otherwise specified herein;
- (g) to determine the time or times when Awards will be granted and exercisable or redeemable;
- (h) to determine if the Shares that are subject to an Award will be subject to any restrictions upon the exercise or redemption of such Award;
- (i) to prescribe the form of the instruments or award agreements relating to the grant, exercise, redemption and other terms of Awards;
- (j) to determine whether, to what extent, and under what circumstances an Award may be settled;
- (k) to correct any defect (including but not limited to amending an Award agreement to comply with applicable law), supply any omission, or reconcile any inconsistency in the Plan or any Award agreement in the manner and to the extent it shall deem desirable to carry out the purposes of the Plan;
- (l) to authorize withholding arrangements pursuant to Section 14.4 of the Plan;
- (m) to authorize any person to execute on behalf of the Corporation any instrument required to effect the grant of an Award previously granted by the Board; and
- (n) to make all other determinations and take all other actions described in the Plan or as the Board otherwise deems necessary or advisable for administering the Plan and effectuating its purposes.

The powers described in this Section 3.1 shall be exercised in accordance with applicable securities laws and the rules and policies of the Exchange.

3.2 **Delegation of Administration.** The Board may, from time to time, delegate the administration of all or any part of the Plan to a committee of the Board and shall determine the scope of and may revoke or amend such delegation.

3.3 **Award Agreement.** Each Participant shall execute an Award agreement in the form determined by the Board from time to time. In the event of any inconsistency between the terms of any Award agreement and this Plan, the terms of this Plan shall govern.

3.4 **Awards May be Separate or in Tandem.** In the Board's discretion, Awards may be granted alone, in addition to, or in tandem with any Other Award or any award granted under another plan of the Corporation or an Affiliate. Awards granted in addition to or in tandem with Other Awards may be granted either at the same time or at different times.

3.5 **Sections 409A and 457A.** The Board shall take into account compliance with Sections 409A and 457A of the Code in connection with any grant of an Award under the Plan, to the extent applicable. While the Awards granted hereunder are intended to be structured in a manner to avoid the imposition of any penalty taxes under Sections 409A and 457A of the Code, in no event whatsoever shall the Corporation or any of its Affiliates be liable for any additional tax, interest, or penalties that may be imposed on a Participant as a result of Section 409A or Section 457A of the Code or any damages for failing to comply with Section 409A or Section 457A of the Code or any similar state or local laws (other than for withholding obligations or other obligations applicable to employers, if any, under Section 409A or Section 457A of the Code).

ARTICLE 4 SHARES SUBJECT TO THE PLAN

4.1 **Option Limit.** Subject to adjustment as provided in Article 6, the Shares to be issued under the Plan shall consist of the Corporation's authorized but unissued Shares. The aggregate number of Shares to be reserved for the issuance upon the exercise of all Options granted under the Plan and all other Share Compensation Arrangements of the Corporation shall not exceed 10% of the issued and outstanding Shares at the time of grant of such Options, provided that the aggregate number of Shares to be reserved for the issuance upon the exercise of all Incentive Stock Options granted under the Plan and all other option plans of the Corporation shall not exceed 3,334,189. At all times the Corporation will reserve and keep available a sufficient number of Shares in such manner as it may consider appropriate in order to satisfy the requirements of all outstanding Options made under the Plan and all other outstanding but unvested Options made under the Plan that are to be settled in Shares.

4.2 **Award Limit.** The aggregate number of Shares to be reserved for issuance upon the exercise or redemption of all Awards, other than Options, granted under the Plan and all of the Corporation's other Share Compensation Arrangements shall not exceed 3,355,396, or such other number as may be approved by the Exchange and the shareholders of the Corporation from time to time. At all times the Corporation will reserve and keep available a sufficient number of Shares in such manner as it may consider appropriate in order to satisfy the requirements of all outstanding Awards made under the Plan and all other outstanding but unvested Awards made under the Plan that are to be settled in Shares.

Notwithstanding the foregoing, the Corporation will not be deemed to be acting in contravention of the limits set out in this Article 4 as a result of any decrease in the number of issued and outstanding Shares following

the grant of an Award and/or Option as a result of any issuer bid or redemption carried out in accordance with applicable law.

4.3 Restrictions on Awards. The allotment of Shares and the Corporation's obligation to issue Shares pursuant to this Plan are subject to the following conditions:

- (a) subject to subsections Sections 4.3(b), 4.3(c), and 4.3(d) hereof, the maximum number of Shares issuable to any Eligible Person under the Plan, or when combined with all of the Corporation's other Share Compensation Arrangements, will not exceed more than 5% of the issued and outstanding Shares (on a non-diluted basis, calculated as at the time of the grant of such Awards) in any 12-month period, unless the Corporation has obtained disinterested shareholder approval in connection therewith;
- (b) the maximum number of Shares issuable to any Consultant under the Plan, or when combined with all of the Corporation's other Share Compensation Arrangements, will not exceed more than 2% of the issued and outstanding Shares (on a non-diluted basis, calculated as at the time of the grant of such Awards) in any 12-month period;
- (c) no Awards, other than Options, may be granted to any Investor Relations Services Provider;
- (d) the aggregate number of Options granted to Investor Relations Service Providers shall not exceed 2% of the issued and outstanding Shares (on a non-diluted basis, calculated as at the time of the grant of such Options) in any 12-month period;
- (e) Options granted to Investor Relations Service Providers shall vest in a period of not less than 12-months from the date of grant and with no more than 25% of the Options vesting in any three month period;
- (f) other than as contemplated in Section 5.5(a) or a Participant who ceases being an Eligible Person as a result of events set out in Sections 6.1 or 6.5, no Award that may be settled in Shares, other than Options, may vest before the date that is one year following the date such Award is granted;
- (g) the number of Shares that are issuable pursuant to Awards or Other Awards, or when combined with all of the Corporation's other Share Compensation Arrangements, issued to Insiders (as a group), shall not exceed 10% of the issued and outstanding Shares (on a non-diluted basis) at any point in time, unless the Corporation has obtained disinterested shareholder approval in connection therewith; and
- (h) the number of Shares that are issuable pursuant to Awards or Other Awards, or when combined with all of the Corporation's other Share Compensation Arrangements, issued to Insiders (as a group), within any 12-month period, shall not exceed 10% of the issued and outstanding Shares (on a non-diluted basis), calculated as at the date any Award or Other Award is granted or issued to any Insider, unless the Corporation has obtained disinterested shareholder approval in connection therewith.

4.4 Awards That Expire or Terminate or are Exercised. If any Award granted hereunder shall expire or terminate for any reason without having been exercised or redeemed in full, the Shares underlying the

Award shall again be available to be granted under the Plan. Any exercise of Options will make new grants of Options available under the Plan effectively resulting in a re-loading of the number of Shares available to be granted with respect to Options under the Plan.

4.5 Restrictions on Exercise or Redemption. Notwithstanding any of the provisions contained in the Plan or any Award, the Corporation's obligation to issue Shares to a Participant pursuant to the exercise or redemption of an Award shall be subject to:

- (a) the completion of such registration or other qualification of such Shares or the approval of the Exchange or such other regulatory authority as the Corporation shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;
- (b) the admission of such Shares to listing on the Exchange; and
- (c) the receipt from the Participant of such representations, agreements and undertakings, including as to future dealings in such Shares as the Corporation or its counsel determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

In this regard, the Corporation shall, to the extent necessary, take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on the Exchange. If any Shares cannot be issued to any Participant for any reason including, without limitation, the failure to obtain necessary shareholder, regulatory or stock exchange approval, then the obligation of the Corporation to issue such Shares shall terminate and any amounts paid by the Participant to the Corporation to exercise or redeem an Award shall be returned to the Participant.

4.6 Non-Assignable. An Award is personal to the Participant and is non-assignable and non-transferable, except with the prior written consent of the Corporation and any required consent of the Exchange and any other applicable regulatory authority. Notwithstanding the foregoing, an Award granted to a Consultant that is a company or partnership, may be assigned to a Management Company Employee of such Consultant.

4.7 Substitute Awards. Subject to Exchange approval, the Board may grant Awards under the Plan in substitution for share and share-based awards ("**Substitute Awards**") held by employees, directors, consultants or advisors of another company (an "**Acquired Company**") in connection with a merger, consolidation or similar transaction involving such Acquired Company and the Corporation or an Affiliate or the acquisition by the Corporation or an Affiliate of property or stock of the Acquired Company. The Board may direct that the Substitute Awards be granted on such terms and conditions as the Board considers appropriate in the circumstances. To the extent permitted by the Exchange or applicable law, the issuance of Substitute Awards shall not reduce the number of Shares available for issuance under the Plan. Notwithstanding the foregoing, any award of Substitute Awards shall comply with the restrictions set out in Section 4.3.

ARTICLE 5

ELIGIBILITY AND CEASING TO BE AN ELIGIBLE PERSON

5.1 Eligible Persons. Awards may only be granted to Eligible Persons. For Awards granted to Employees, Consultants or Management Company Employees, the Corporation and the Participant are

responsible for ensuring and confirming that the Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

5.2 Compliance with Laws. Notwithstanding any provision contained in this Plan, no Participant may exercise or redeem any Award granted under this Plan and no Shares may be issued upon exercise or redemption of an Award unless such exercise or redemption and issuance are in compliance with all applicable securities laws or other legislation of the jurisdiction of residence of such Person and in compliance with the terms of the Plan. The Corporation may require, as a condition of the grant of an Award, that the potential Participant provide a written acknowledgement that the grant of the Award does not violate any such laws.

5.3 Termination Date. Subject to Section 5.4, 5.5 and 5.6 and any express resolution passed by the Board, all Awards, and all rights to acquire Shares pursuant thereto, granted to an Eligible Person shall expire and terminate immediately upon the Participant's Termination Date (subject to any contrary obligation under applicable employment standards legislation).

5.4 Circumstances When Awards are Exercisable. If, before the expiry of an Award in accordance with the terms thereof, a Participant ceases to be an Eligible Person for any reason whatsoever, other than termination by the Corporation for Cause (in which case all unexercised or unredeemed Awards (vested or unvested) expire and are cancelled immediately and the Participant waives any claim to damages in respect thereof whether related or attributable to any contractual or common law termination entitlement or otherwise), such Awards may, subject to:

- (a) the terms set out in the Award agreement or a Participant's employment agreement;
- (b) any determination made by the Board to accelerate the vesting of or to extend the expiry of an Award, provided that (subject to Section 14.6) in no event will the expiry date of an Award be later than the 10th anniversary of the date of grant; and
- (c) any other terms of the Plan,

be exercised or redeemed, as applicable:

- (d) if the Participant is deceased, by the heirs of the Participant or by legal personal representative(s) of the estate of the Participant at any time within six months following the death of the Participant; or
- (e) subject to any determination by the Board, by the Participant at any time within 90 days following the Termination Date.

But, in any case, subject to any determination of the Board, the exercise or redemption of the Award must be: (i) prior to the expiry of the RSU Grant Period, in respect of Restricted Share Units, (ii) prior to the expiry of the Fixed Term, in respect of Options, and (iii) prior to the expiry of the Award in the case of Other Awards under the Plan, and in each case only to the extent that the Award was vested or the Exercise Criteria was satisfied and the Participant was otherwise entitled to exercise the Award at the Termination Date. Notwithstanding the foregoing, in any event, a Participant shall not be entitled to exercise or redeem any Award that may be settled in Shares following the date that is 12 months from the Termination Date.

5.5 **Death or Termination of Employment.**

- (a) Notwithstanding Section 5.4, in the event of the death of a Participant while Actively Employed, all Awards granted to that Participant prior to the date of death shall be deemed to be vested in the Participant or to have had the Exercise Criteria relating thereto satisfied on the date of death.
- (b) Except as specifically provided for in this Plan or in any Award agreement, or as otherwise agreed to or determined by the Board, if the employment of a Participant with the Corporation or any Affiliate is terminated for any reason prior to the exercise or redemption of any Award, then the Participant shall be deemed to have forfeited all right, title and interest with respect to any portion of any Award that is not vested or in respect of which the Exercise Criteria has not been satisfied upon the Termination Date and the Participant waives any claim to damages in respect thereof whether related or attributable to any contractual or common law termination entitlement or otherwise.
- (c) Notwithstanding the foregoing, in the event that a Participant's employment with the Corporation or any Affiliate is terminated without Cause or if the Participant resigns from such employment then, at the sole and unfettered discretion of the Board, all or any portion of the Awards granted to that Participant may be deemed to have vested or to have had the Exercise Criteria relating thereto satisfied on the Termination Date.

5.6 **Another Listed Category.** Except as provided otherwise in the definition of "Termination Date," Awards shall not be affected in the event the Participant ceases to fall within a listed category contained in the definition of an "Eligible Person" hereunder where such Participant falls within another listed category of such definition.

ARTICLE 6 CERTAIN ADJUSTMENTS

6.1 **Offer for Shares.** In the event that any "take-over bid" (as defined in the Securities Act) for the Shares is made (an "Offer"), all Shares subject to outstanding Awards not then exercisable or redeemable shall thereupon become immediately exercisable or redeemable. Further, the Participant shall be entitled to include in the written notice of election to exercise or redeem all or any part of the Award that such Participant is electing to exercise or redeem the Award with the intention of tendering the Shares acquired upon such exercise or redemption into the Offer. If such election is made, in the event that the Offer is not completed and the relevant Shares are not taken up and paid for by the offeror under such Offer (or a competing Offer), the Participant shall, upon return of certificates representing such Shares, be deemed not to have exercised or redeemed the Award with respect to such Shares and the Corporation shall return to the Participant the subscription proceeds therefor and/or take such other actions to enable the parties to re-establish as closely as possible their situations and respective economic positions as they existed prior to the making of the Offer and had no Awards become exercisable or redeemable as a result thereof, while making allowance for taxation, regulatory and other irreversible events and consequences which may have intervened since the making of the Offer.

6.2 **Changes in Shares.** In the event of any stock dividend, stock split, combination or exchange of shares, merger, amalgamation, acquisition, divestiture, consolidation, spin-off or other distribution (other than normal cash dividends) of the Corporation's assets to shareholders, or any other change in the capital

of the Corporation affecting Shares, the Board will, subject to Exchange approval, make such proportionate adjustments, if any, as the Board in its discretion may deem appropriate to reflect such change, with respect to (i) the number or kind of Shares or other securities reserved for issuance pursuant to this Plan; (ii) the number or kind of Shares or other securities subject to unexercised or unredeemed Awards previously granted; and (iii) the Option Price or the Market Price of a Share at the date of grant, as applicable, of Awards.

6.3 No Fractional Shares. The Corporation will not issue fractional Shares in satisfaction of any of its obligations hereunder.

6.4 Accelerated Exercise or Redemption of Awards. Notwithstanding any other provision of the Plan (other than Section 4.3(f)), the Board may at any time give written notice to all Participants advising that their respective Awards (other than a Deferred Share Unit) are all immediately exercisable or redeemable and may be exercised or redeemed only within 30 days of such written notice or such other period as determined by the Board and not thereafter and that all rights of the Participants under any Awards (other than a Deferred Share Unit) not exercised or redeemed within such period will terminate at the expiration of such period.

6.5 Payment on Change of Control. Notwithstanding any other provision of the Plan (other than Section 4.3(f)) and except as may be set out in an Award agreement to the contrary, in the event of the occurrence of a Change of Control of:

- (a) the Corporation; or
- (b) an Affiliate of which a Participant is an Employee,

with respect to all RSU Grants, Options, Stock Appreciation Rights and Deferred Share Units that are outstanding for such applicable Participant(s) on the date of completion of the Change of Control (the “**CoC Date**”), (i) all vesting criteria and Exercise Criteria, if any, applicable to such Restricted Share Units, Options, Stock Appreciation Rights, Deferred Share Units, or Other Awards shall be deemed to have been satisfied as of the CoC Date and (ii) except as may be otherwise provided under the terms of any other employee benefit plan approved by the Board, each Participant who has received any such RSU Grants, Options, Stock Appreciation Rights, or Other Awards shall be entitled to request to receive a cash payment as consideration for the surrender and cancellation of such RSU Grants, Options, Stock Appreciation Rights, or Other Awards to the Corporation equal to (A) in the case of a Restricted Share Unit or Other Awards, the Special Value (as defined below) and, (B) in the case of a Stock Appreciation Right or Option the excess of the Special Value over the Option Price (if any) in respect of such Option or Stock Appreciation Right, as applicable, in each case, payable on the date which is ten Business Days following the CoC Date. For greater certainty, the occurrence of a Change of Control will not trigger the right of a Participant to receive a payment in respect of a Deferred Share Unit prior to the Termination Date for such Participant.

For the purpose of this Section 6.5, the term “**Special Value**” means an amount determined as follows: (i) if any Shares are sold as part of the transaction constituting the Change of Control, then the Special Value shall equal the weighted average of the prices paid for those Shares by the acquirer, provided that if any portion of the consideration paid for such Shares by the acquirer is paid in property other than cash, then the Board (as constituted immediately prior to the CoC Date) shall determine the fair market value of such property as of the CoC Date for purposes of determining the Special Value; and (ii) if no Shares are sold as part of the transaction constituting the Change of Control, then the Special Value shall be the Market Price of a Share on the day immediately preceding the CoC Date.

ARTICLE 7 OPTIONS

7.1 **Grant of Options.** The Board may, from time to time, grant Options to Eligible Persons subject to the provisions this Plan; provided, however, that Incentive Stock Options may be granted only to Eligible Persons who are Employees of the Corporation or an Affiliate (as such definition is limited pursuant to the definition of "Eligible Person" as set forth herein) of the Corporation, and for the sake of clarity, a Director who is not an Employee will not be eligible to receive an Award of Incentive Stock Options.

7.2 **Option Exercise Term.** Options shall be for a Fixed Term and shall be exercisable from time to time as determined in the discretion of the Board at the time of grant, provided that, subject to Section 14.6, no Option shall have a term exceeding ten years (or such shorter period as is permitted by the Exchange from time to time).

7.3 **Terms of Options.** Subject to this Article 7, the number of Shares subject to each Option, the Option Price, the expiration date of each Option, the extent to which each Option is exercisable from time to time during the term of the Option and other terms and conditions (including vesting) relating to each such Option shall be determined by the Board; provided, however, that if no specific determination is made by the Board with respect to any of the following matters, each Option shall, subject to any other specific provisions of the Plan, contain the following terms and conditions:

- (a) the Fixed Term shall be ten years from the date the Option is granted to the Participant, and if the Option is an Incentive Stock Option, no Incentive Stock Option may be granted hereunder following the tenth (10th) anniversary of the earlier of (i) the date on which the Plan is adopted by the Board and (ii) the date on which the shareholders of the Corporation approve the Plan;
- (b) the Option Price shall be the Market Price of a Share on the date of the grant of the Option; and
- (c) the Option shall vest in instalments, with the right to acquire 1/5th of the Shares subject to the Option vesting and becoming exercisable in whole or in part on the first anniversary of the date of grant of the Option, and the right to acquire a further 1/5th of the Shares subject to the Option vesting and becoming exercisable on each of the second, third, fourth and fifth anniversaries of the date of grant of the Option.

7.4 **Restrictions on Option Price.** The Option Price shall in no circumstances be lower than the greater of: (i) the price permitted by the Exchange; (ii) the price permitted by any other regulatory body having jurisdiction; and (iii) the Market Price. Subject to the policies of the Exchange (including the approval of the TSX Venture Exchange while the Shares are listed on same), notwithstanding the foregoing, in the case of an Option that is a Substitute Award, the Option Price may be less than the Market Price on the date of grant; provided, that such Option Price is determined in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code.

7.5 **Exercise of Options.**

- (a) Subject to the provisions of the Plan and the alternative exercise and surrender procedures set out herein, a Participant who wishes to exercise his, her or its Options may do so by delivering:

- (i) a written notice to the Chief Financial Officer of the Corporation in a form approved by the Board from time to time (the “**Exercise Notice**”) specifying the number of Shares being acquired pursuant to the Option; and
 - (ii) a certified cheque, wire transfer or bank draft payable to the Corporation for the aggregate Option Price for the Shares being acquired, plus any required withholding tax amount pursuant to Section 14.4.
- (b) Subject to any policies of the Exchange and the consent of the Corporation, a Participant may choose to undertake a “cashless exercise” with the assistance of a broker in order to facilitate the exercise of such Participant’s Options. The “cashless exercise” procedure may include a sale of such number of Shares as is necessary to raise an amount equal to the aggregate Option Price for all Options being exercised by that Participant under an Exercise Notice and any applicable tax withholdings pursuant to Section 14.4. Pursuant to the Exercise Notice, the Participant may authorize the broker to sell Shares on the open market by means of a short sale and forward the proceeds of such short sale to the Corporation to satisfy the Option Price and any applicable tax withholdings, promptly following which the Corporation shall issue the Shares underlying the number of Options as provided for in the Exercise Notice.
- (c) Subject to any policies of the Exchange and the consent of the Corporation (including any consideration with respect to withholding amounts as contemplated under Section 14.4), in lieu of exercising any vested Option in the manner described in Sections 7.5(a) and 7.5(b), and subject to Section 14.4, a Participant (other than an Investor Relations Service Provider) may complete a net exercise (“**Net Exercise**”) with a properly completed notice of Net Exercise, in a form approved by the Board from time to time, and elect to receive that number of Shares calculated using the following formula:

$$A = (B * (C-D)) / C$$

Where:

- A = the number of Shares to be issued to the Participant upon exercising such Options, provided that if the foregoing calculation results in a negative number, then no Shares shall be issued
 - B = the number of Shares underlying the Options subject to the Net Exercise
 - C = subject to the policies of the Exchange, the volume weighted average trading price of the Shares on the Exchange calculated by dividing the total value by the total volume of the Shares traded for the five trading days immediately preceding the date of exercise of the Options subject to the Net Exercise
 - D = the Option Price of the Options subject to the Net Exercise
- (d) Subject to any policies of the Exchange and the consent of the Corporation, where a Participant elects to exercise their Options pursuant to this Section 7.5, such Participant may choose to surrender such Options to the Corporation (the “**Surrender**”). In consideration for the Surrendered Options, the holder thereof shall be entitled to receive from the Corporation an amount in cash equal to the excess of, if any, the aggregate Market Price of the Shares underlying the Surrendered Options as of the exercise, over the

aggregate Option Price of such Surrendered Options. All such Surrendered Options shall be cancelled and the holder thereof shall have no further entitlements with respect to such Surrendered Options other than to receive the cash amount contemplated by this Section 7.5(d), subject to applicable withholdings as contemplated by this Plan.

- (e) Notwithstanding anything herein to the contrary, if the Board determines that any form of payment available hereunder would be in violation of Section 402 of the Sarbanes-Oxley Act of 2002, such form of payment shall not be available.

7.6 **Special Provisions Applicable to Incentive Stock Options.**

- (a) No Incentive Stock Option may be granted to any Eligible Person who, at the time the Option is granted, owns directly, or indirectly within the meaning of Section 424(d) of the Code, stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Corporation or of any parent or subsidiary thereof, unless such Incentive Stock Option (i) has an exercise price of at least one hundred ten percent (110%) of the Market Price on the date of the grant of such Option and (ii) cannot be exercised more than five (5) years after the date it is granted.
- (b) To the extent that the aggregate Market Price (determined as of the date of grant) of Shares for which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Corporation and its Affiliates) exceeds \$100,000, such excess Incentive Stock Options shall be treated as Nonqualified Stock Options.
- (c) Each Participant who receives an Incentive Stock Option must agree to notify the Corporation in writing immediately after the Participant makes a Disqualifying Disposition of any Shares acquired pursuant to the exercise of an Incentive Stock Option.

ARTICLE 8 STOCK APPRECIATION RIGHTS

8.1 **Grants of Share Appreciation Rights.** The Board may grant rights ("**Stock Appreciation Rights**") to Eligible Persons either on a stand alone basis or in relation to any Option. Where a Stock Appreciation Right is granted in relation to an Option, it shall be a right in respect of the same number of Shares and shall have the same Option Price as the Option.

8.2 **Stock Appreciation Rights.** Subject to Sections 8.3 and 8.4, a Stock Appreciation Right is the right to receive a cash payment equal to the excess, if any, of:

- (a) the Market Price of a Share on the date such Stock Appreciation Right is exercised over;
- (b) the Option Price,

multiplied by the number of Shares in respect of which the Stock Appreciation Right is being exercised, less any amount required to be withheld by applicable law (the "**SAR Amount**").

8.3 **Terms of Stock Appreciation Rights Granted in Connection with an Option.** Stock Appreciation Rights granted in relation to an Option shall be exercisable only at the same time, by the same Persons and to the same extent, that the related Option is exercisable. Upon the exercise of any Stock

Appreciation Right related to an Option, the corresponding portion of the related Option shall be surrendered to the Corporation and cancelled and upon the exercise of any Option which has an accompanying Stock Appreciation Right, the corresponding portion of the related Stock Appreciation Right shall be surrendered to the Corporation and cancelled. In the sole discretion of the Corporation, the Corporation may elect to satisfy the exercise of a Stock Appreciation Right by issuing to the Participant Shares which have a Market Price as at the date of exercise of the Stock Appreciation Right, equal to the SAR Amount.

8.4 **Terms of Stock Appreciation Rights Granted on a Stand Alone Basis.** Stock Appreciation Rights granted on a stand alone basis shall be granted on such terms as shall be determined by the Board and set out in the Award agreement (including any terms pertaining to vesting and settlement), provided that the Option Price shall not be less than the Market Price on the date of grant. Subject to the policies of the Exchange, notwithstanding the foregoing, in the case of a Stock Appreciation Right that is a Substitute Award, the Option Price per share for such Stock Appreciation Right may be less than the Market Price on the date of grant; provided, that such Option Price is determined in a manner consistent with the provisions of Section 409A of the Code.

ARTICLE 9 SHARE PURCHASE PROGRAM

9.1 **Grant of Options and/or Stock Appreciation Rights for Shares Purchased.** The Board may institute a share purchase program (the “**Share Purchase Program**”) for SPP Eligible Persons pursuant to which the Board may grant to each SPP Eligible Person one Option and/or one Stock Appreciation Right for each Share purchased by the SPP Eligible Person up to a maximum number of Options and/or Stock Appreciation Rights for any one SPP Eligible Person as may be reasonably determined from time to time by the Board.

9.2 **Terms of Grants Pursuant to Share Purchase Program.** Options and Stock Appreciation Rights granted pursuant to the Share Purchase Program shall be granted on such terms as shall be reasonably determined by the Board and set out in the Award agreement but shall otherwise be subject to the provisions of this Plan.

ARTICLE 10 RESTRICTED SHARE UNITS

10.1 **Grants of Restricted Share Units.** The Board may Grant rights (“**Restricted Share Units**”) to Eligible Persons. The Board shall designate the number of Restricted Share Units granted.

10.2 **Restricted Share Units.** A Restricted Share Unit is the right, subject to the level of achievement of Exercise Criteria or vesting or other criteria determined by the Board at the date of the RSU Grant, to receive one Share for each Restricted Share Unit redeemed or a payment in cash determined in accordance with Section 10.5, less any amount required to be withheld by applicable law.

10.3 **Terms of Restricted Share Units.** Restricted Share Units shall be granted on such terms as shall be determined by the Board and set out in the Award agreement. Without limiting the generality of the foregoing, subject to the provisions of the Plan, the Board shall, in its sole discretion and from time to time, determine the Eligible Persons to whom RSU Grants will be made based on its assessment, for each Participant, of the current and potential contribution of such Eligible Person to the success of the

Corporation. At such time, the Board shall also determine, in connection with each RSU Grant, the RSU Effective Date thereof, the number of Restricted Share Units to be allocated, the RSU Grant Period applicable thereto and any applicable vesting terms for such RSU Grant, the Exercise Criteria, if any, and such other terms and conditions which the Board considers appropriate to the RSU Grant in question (including any dividend equivalent entitlements), and which terms and conditions need not be identical as between any two RSU Grants, whether or not contemporaneous.

10.4 Redemption of Restricted Share Units. Subject to the provisions of the Plan and Award agreement, a Restricted Share Unit shall be redeemed and paid (or Shares issued) on the first Release Date following the satisfaction of the Exercise Criteria in respect of such Restricted Share Unit.

10.5 Redemption in Cash. Any Award agreement may provide that a Participant, or that Participant's estate, if applicable, may elect to have some or all of its Restricted Share Units described in such Award agreement settled by the payment of cash. If the Award agreement in question does not provide such election right to the Participant thereunder and also does not specify that there will be no election to settle Restricted Share Units by the payment of cash, then the Corporation will have the option to settle some or all of such Restricted Share Units by the payment of cash. Where a Participant is to receive cash in settlement of Restricted Share Units, then that Participant shall receive a cash payment equal to the number of Restricted Share Units being settled, multiplied by the Market Price on the Release Date applicable to such Restricted Share Units, less any amount required to be withheld by applicable law.

10.6 Election to Subscribe for Shares. Where a Participant is to receive cash in settlement of Restricted Share Units, the Participant may elect to apply all or part of such cash (less withholdings required under applicable law) to a subscription for Shares. Such an election must be made five Business Days prior to the Release Date by delivery to the Corporation at its principal office of a written notice of election addressed to the Chief Financial Officer of the Corporation in a form approved by the Board from time to time setting out, among other things, the amount of such cash to be used to subscribe for Shares (such amount, the "**Subscription Amount**") and the registration particulars related thereto. Where a Participant elects to subscribe for Shares, then that Participant shall be entitled to that number of Shares as is equal to the Subscription Amount divided by the Market Price on the Release Date. Any Shares issued pursuant to this right will be issued on the Release Date, provided to the Participant as soon as practicable thereafter and will be considered Shares issued pursuant to the Plan.

ARTICLE 11 DEFERRED SHARE UNITS

11.1 Grants of Deferred Share Units. The Board may grant rights ("**Deferred Share Units**") to Eligible Persons who are Employees or Directors. The Board shall designate the number of Deferred Share Units granted.

11.2 Deferred Share Units. A Deferred Share Unit is the right to receive a cash payment equal to the Market Price of a Share on the Termination Date, less any amount required to be withheld by applicable law or, if applicable, one fully paid and non-assessable Share issued from treasury.

11.3 Terms of Deferred Share Units. Deferred Share Units shall be granted on such terms as shall be determined by the Board and set out in the Award agreement. Without limiting the generality of the forgoing, subject to the provisions of the Plan, the Board shall, in its sole discretion and from time to time, determine the Eligible Persons to whom grants will be made based on its assessment, for each Participant, of the

anticipated contribution of such Eligible Person to the success of the Corporation. At such time, the Board shall also determine, in connection with each grant, the effective date thereof, the number of Deferred Share Units to be allocated, and such other terms and conditions which the Board considers appropriate to the grant in question, and which terms and conditions need not be identical as between any two grants, whether or not contemporaneous.

11.4 Redemption of Deferred Share Units. Subject to the provisions of the Plan and Award agreement, a Deferred Share Unit held by a Participant shall be redeemed by the Corporation on the Payout Date, unless otherwise agreed to between the Corporation and a Participant; provided that the Deferred Share Unit shall be redeemed no later than in the case of: (a) Canadian Employees, December 31 of the calendar year immediately following the calendar year in which the Termination Date occurs; and (b) Employees subject to taxation in the United States, two and one-half (2.5) months following the last day of the calendar year in which the Termination Date occurs.

11.5 Deferred Share Units May be Payable in Cash or Shares. Any Award agreement may provide that a Participant, or that Participant's estate, if applicable, may elect to have some or all of its Deferred Share Units described in such Award agreement settled by the delivery of Shares. If the Award agreement in question does not provide such election right to the Participant thereunder and also does not specify that there will be no election to settle Deferred Share Units by the issuance of Shares, then such Deferred Share Units shall only be settled by the payment of cash. For greater certainty, unless expressly provided in the Award agreement, the granting of a Deferred Share Unit does not entitle the holder thereof to acquire or otherwise obtain any rights or interests whatsoever in any Shares (including the right to dividends) or other securities of the Corporation. Participants have no right or ability to exercise, receive or otherwise demand payment of the value of Deferred Share Units granted to them prior to the Payout Date.

ARTICLE 12 OTHER AWARDS

12.1 Grants of Other Awards. The Board may grant other share-based awards ("**Other Awards**") to Eligible Persons. Other Awards shall be granted on such terms as shall be determined by the Board and set out in the Award agreement and will be subject to the approval of the Exchange.

ARTICLE 13 AMENDMENT PROCEDURE

13.1 Amendment Procedure; Termination or Suspension of the Plan. The Corporation retains the right to amend or terminate the terms and conditions of the Plan by resolution of the Board. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated; provided, however, that following any suspension or termination of the Plan, the Plan shall remain in effect for the purpose of governing all Awards then outstanding hereunder until such time as all Awards under the Plan have been terminated, forfeited, or otherwise canceled, or earned, exercised, settled, or otherwise paid out, in accordance with their terms. If required, any amendments shall be subject to the prior consent of any applicable regulatory bodies, including the Exchange. Any amendment to the Plan shall take effect with respect to all outstanding Awards on the date of, and all Awards granted after, the effective date of such amendment, provided that in the event any amendment materially and adversely affects any outstanding Awards it may apply to such outstanding Awards only with the mutual consent of the Corporation and the Participant to whom such Awards have been granted. Subject to compliance with applicable laws and the policies of the Exchange, the Board shall have the power and authority to approve amendments relating to

the Plan or to Awards, without further approval of the shareholders of the Corporation, including the following non-exhaustive list of such amendments:

- (a) altering, extending or accelerating the terms and conditions of vesting of any Awards,
- (b) accelerating the expiry of the Fixed Term of any Option;
- (c) determining adjustments pursuant to Article 6 hereof;
- (d) amending the definitions contained within the Plan, including but not limited to the definition of “**Eligible Person**” under the Plan except as provided in Section 13.2(e);
- (e) amending or modifying the mechanics of exercise or redemption of the Awards as set forth in the Plan;
- (f) effecting amendments of a “housekeeping” nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error, inconsistency or omission in or from the Plan;
- (g) effecting amendments necessary to comply with the provisions of applicable laws (including, without limitation, the rules, regulations and policies of the Exchange);
- (h) effecting amendments respecting the administration of the Plan; and
- (i) effecting amendments necessary to suspend or terminate the Plan.

13.2 Shareholder Approval. Notwithstanding the foregoing, approval of the shareholders of the Corporation shall be required for the following types of amendments:

- (a) increasing the number of Shares issuable under the Plan, except in the event of an adjustment contemplated by Article 6;
- (b) amending the Plan which amendment could result in the aggregate number of Shares of the Corporation issued to Insiders within any one year period under the Plan together with any other Share Compensation Arrangement exceeding 10% of the issued and outstanding Shares (which shall require disinterested shareholder approval);
- (c) extending the Fixed Term of an Option beyond the expiry of the original Fixed Term of the Option (other than as a result of a Black-Out Period as set forth in Section 14.6); provided, that such extension of the Fixed Term of an Option complies with Section 409A or Section 422 of the Code, if applicable; *provided further that* extending the term of an Option held by an Insider shall not be effective until disinterested shareholder approval has been obtained;
- (d) except as permitted pursuant to Article 6, (1) reducing the Option Price of an Option or cancelling an Option and replacing such Option with a lower Option Price under such replacement Option, (2) any other action that is treated as a repricing under general accounting principals, and (3) repurchasing for cash or canceling an Award in exchange for another Award at a time when its Option Price is greater than the Market Price of the

underlying Shares, *provided that* reducing the Option Price of an Option held by an Insider or cancelling an Option held by an Insider and replacing such with a lower Option Price shall not be effective until disinterested shareholder approval has been obtained and, to the extent applicable, such reduction in the Option Price or issuance of a replacement Option is structured in a manner that complies with Section 409A or Section 422 of the Code;

- (e) amending the listed categories contained in the definition of "Eligible Persons" hereunder which would have the potential of broadening or increasing participation in the Plan by Insiders;
- (f) any amendment which would permit Awards granted under the Plan to be transferable or assignable other than for normal estate settlement purposes (and other than as set forth in Section 4.6), provided that no Awards are transferable or assignable when the Shares are listed on the TSX Venture Exchange;
- (g) amending Section 13.1 hereof and this Section 13.2;
- (h) amending the termination provisions of an Award; and
- (i) making any amendments required to be approved by shareholders under applicable law (including, without limitation, pursuant to the rules, regulations and policies of the Exchange).

Where required by the policies of the Exchange, the shareholder approval required by this Section 13.2 shall be by the majority vote of the shareholders of the Corporation excluding any votes cast by Insiders who are entitled to participate as Eligible Persons under the Plan or who will specifically benefit from the proposed amendment and as otherwise may be prescribed by the Exchange. Notwithstanding the foregoing, subject to the limitations of applicable law, if any, and without an affected Participant's consent, the Board may amend the terms of the Plan or any one or more Awards from time to time as necessary to bring such Awards into compliance with applicable law, including, without limitation, Section 409A of the Code.

13.3 Conflict. In the event of any conflict between Sections 13.1 and Section 13.2, the latter shall prevail to the extent of the conflict.

ARTICLE 14 GENERAL

14.1 No Rights as Shareholder. The holder of an Award shall not have any rights as a shareholder of the Corporation with respect to any Shares covered by such Award until such holder shall have exercised or redeemed such Award and been issued Shares in accordance with the terms of the Plan and the Corporation shall issue such Shares to the Participant in accordance with the terms of the Plan in those circumstances.

14.2 No Rights Conferred.

- (a) Nothing contained in this Plan or any Award shall confer upon any Participant any right with respect continuance as a Director, Officer, Employee, or Consultant or Management

Company Employee of the Corporation or its Affiliates, or interfere in any way with the right of the Corporation or its Affiliates to terminate the Participant's employment at any time.

- (b) Nothing contained in this Plan or any Award shall confer on any Participant who is not a Director, Officer, Employee, or Consultant or Management Company Employee any right to continue providing ongoing services to the Corporation or its Affiliates or affect in any way the right of the Corporation or its Affiliates to determine to terminate his, her or its contract at any time.

14.3 Tax Consequences. It is the responsibility of the Participant to complete and file any tax returns which may be required under any applicable tax laws within the periods specified in those laws as a result of the Participant's participation in the Plan. The Corporation shall not be responsible for any tax consequences to the Participant as a result of the Participant's participation in the Plan. The Participant shall remain responsible at all times for paying any federal, provincial, local and foreign income or employment related taxes due, if and as applicable, with respect to any Award, and the Corporation shall not be liable for any interest or penalty that a Participant incurs by failing to make timely payments of tax.

14.4 Withholding Requirements. Prior to the delivery of any Shares or cash pursuant to the grant, exercise, vesting, or settlement of an Award or Surrender of an Option (or upon the making of an election under Section 83(b) of the Code), the Corporation shall have the power and the right to deduct or withhold, or to require a Participant to remit to the Corporation, an amount sufficient to satisfy any federal, provincial, local and foreign taxes that the Corporation determines is required to be withheld to comply with applicable laws. The Corporation shall make any withholdings or deductions in respect of taxes as required by law or the interpretation or administration thereof. The Corporation shall be entitled to make arrangements to sell a sufficient number of Shares to be issued pursuant to the exercise of an Award to fund the payment and remittance of such taxes that are required to be deducted or withheld and any associated costs (including brokerage fees).

14.5 No Representation. The Corporation makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

14.6 Black-out Period. Awards shall be subject to the Corporation's insider trading policy as may be in effect from time to time, including any Black-out Period, trading prohibition or requirement to obtain mandatory pre-clearance of a transaction. Except where not permitted by the Exchange, where an Award would expire during a Black-Out Period or within ten Business Days following the end of a Black-Out Period, the term of such Award shall be automatically extended to the date which is ten Business Days following the end of such Black-Out Period.

14.7 Governing Law. This Plan shall be governed by and construed in accordance with the laws of the State of Delaware.

14.8 Severance. If any provision of this Plan or any agreement entered into pursuant to this Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Corporation or this Plan then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

14.9 Clawback/Recoupment Policy. Notwithstanding anything contained herein to the contrary, all Awards granted under the Plan shall be and remain subject to any incentive compensation clawback or

recoupment policy currently in effect or as may be adopted by the Board (or a committee or subcommittee of the Board) and, in each case, as may be amended from time to time. No such policy adoption or amendment shall in any event require the prior consent of any Participant, except as may be required by applicable law. No recovery of compensation under such a clawback policy will be an event giving rise to a right to resign for “good reason” or “constructive termination” (or similar term) under any agreement with the Corporation or any of its Affiliates. In the event that an Award is subject to more than one such policy, the policy with the most restrictive clawback or recoupment provisions shall govern such Award, subject to applicable law.

ARTICLE 15

SHAREHOLDER AND REGULATORY APPROVAL

15.1 This Plan shall be subject to the approval of the shareholders of the Corporation to be given by a resolution passed at a meeting of the shareholders of the Corporation, and to acceptance by the Exchange and any other relevant regulatory authority. Any Awards granted hereunder prior to such approval and acceptance (other than grants made under the Prior Plans prior to the effective date of the Plan) shall be conditional upon such approval and acceptance being given, and no such Awards may be exercised unless and until such approval and acceptance is given.

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APPENDIX “B” – AUDIT COMMITTEE CHARTER

(please see attached)

THE WESTAIM CORPORATION

AUDIT COMMITTEE CHARTER

(Revised August 2025)

A. Overview and Mandate

The Audit Committee (the “**Committee**”) is responsible to the Board of Directors (the “**Board**”) of The Westaim Corporation (the “**Corporation**”). The Committee shall review the annual consolidated financial statements of the Corporation and shall report thereon to the Board before such annual consolidated financial statements are approved by the Board, and shall oversee the accounting and financial reporting processes of the Corporation and the audits of the financial statements of the Corporation. The Committee also shall perform the duties as described under “Duties and Responsibilities” below.

The Committee, in its capacity as a committee of the Board, shall be directly responsible for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged (including for the resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for the Corporation (the “**auditor**”), and each auditor must report directly to the Committee.

It is recognized that the Committee will be acting only within the terms of reference set out herein and it is not intended that the Committee shall usurp any of the powers or responsibilities of the Board as set out in the Delaware General Corporation Law and/or the By-laws of the Corporation.

The Committee may engage independent counsel or other advisors as it determines necessary to carry out its duties.

The Corporation shall provide for appropriate funding, as determined by the Committee in its capacity as a committee of the Board, for payment of:

- a. compensation to any auditor;
- b. compensation to any independent counsel or adviser employed by the Committee pursuant to this charter; and
- c. ordinary administrative expenses of the Committee that are necessary or appropriate in respect of the performance by the Committee of its duties.

B. Membership and Attendance at Meetings

1. The members of the Committee shall consist of not fewer than three (3) members each of whom shall be a director of the Corporation. The membership of the Committee shall comply with the terms of that certain Investor Rights Agreement, dated as of April 3, 2025, by and between the Corporation, Arena Investors Group Holdings, LLC and Wembley Group Partners, LP (as may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “**Investor Rights Agreement**”), for so long as such agreement remains in effect.
2. A majority of members of the Committee shall satisfy the independence requirements applicable to members of audit committees under National Instrument 52-110 – *Audit Committees* of certain of the Canadian Securities Administrators and the requirements of any other applicable legislation or stock exchange rules, subject to any exemptions or relief that may be granted from such requirements (collectively, the “**Independence Requirements**”).
3. Each member of the Committee shall have, or shall acquire within a reasonable time following appointment to the Committee, the ability to read and understand a set of financial statements that present a breadth and

level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

4. The Chair of the Committee shall be appointed by the Board and shall be responsible for the overall operation of the Committee and shall satisfy the Independence Requirements. Notwithstanding the foregoing, the membership of the Committee shall comply with the terms of the Investor Rights Agreement for so long as such agreement remains in effect.
5. Members shall serve one-year terms and may serve consecutive terms.
6. The auditor of the Corporation is entitled to receive notice of every meeting of the Committee and be heard thereat.
7. In its discharge of its responsibilities and duties set out herein, the Committee shall have free and unrestricted access at all times, either directly or through its duly appointed representatives, to the relevant accounting books, records and systems of the Corporation and shall discuss with the officers of the Corporation such books, records, systems and other matters considered appropriate.

C. Duties and Responsibilities

The Committee shall fulfill the following duties arising from its mandate set out above:

1. Review and assess the adequacy of this charter on an annual basis, or more often if deemed appropriate.
2. Review and recommend for Board approval the annual consolidated financial statements of the Corporation, notes thereto, related management discussion and analysis (MD&A) and press release.
3. Review and recommend for Board approval the quarterly financial statements, notes thereto, related MD&A and press release.
4. Review and recommend for Board approval all public disclosure documents that contain the annual consolidated financial statements or quarterly financial statements of the Corporation (e.g. prospectuses, registration statements, annual information forms and/or press releases).
5. Review, and approve, all earnings guidance provided to the investment community, including analysts and rating agencies, as appropriate, (including any "pro forma" or "adjusted" non-GAAP information included therein).
6. Review, and approve, the planned scope of the examination of the annual and quarterly consolidated financial statements and all related audit activities by the auditor of the Corporation, including expected related audit fees.
7. Review the accounting principles and practices to be applied and followed by the Corporation during the fiscal year and any significant changes from those applied and followed during the previous year or quarter.
8. Review the adequacy of the systems of internal accounting and audit policies, practices and controls established by the Corporation, and discuss with the auditor the results of its reviews and reports.
9. Review all litigation and claims involving or against the Corporation which could materially adversely affect its financial position and which the auditor or any officer of the Corporation may refer to the Committee.
10. Ensure the auditor's ultimate accountability to the Board and the Committee as representatives of the shareholders and as such representatives, to evaluate the performance of the auditor and review and report to the directors regarding the nomination and the remuneration and other material terms of the engagement

of the auditor, and the performance by the auditor thereunder, and to recommend to the shareholders the reappointment or replacement of the auditor.

11. Ensure that the auditor submits on a periodic basis to the Committee, a formal written statement delineating all relationships between the auditor and the Corporation, consistent with Canadian auditor independence standards, and to review such statement and to actively engage in a dialogue with the auditor with respect to any disclosed or undisclosed relationships or services that may impact on the objectivity and independence of the auditor, and to review the statement and the dialogue with the Board and recommend to the Board appropriate action to ensure the independence of the auditor.
12. Provide a line of communication between the auditor and the Board, and communicate directly with the auditor and with any internal auditor of the Corporation.
13. Meet with the auditor at least once per quarter without management present to allow a candid discussion regarding any concerns the auditor may have and to resolve any disagreements between the auditor and management regarding the Corporation's financial reporting.
14. Review and pre-approve non-audit services provided by the auditor.
15. Review and approve hiring policies regarding partners, employees, and former partners and employees of the present and former external auditors of the Corporation.
16. Review any internal audit plan and review all reports arising from any such internal audit activity.
17. Approve the Corporation's Disclosure Policy, if any, and review and assess the adequacy of the policy on an annual basis, or more often if deemed appropriate.
18. Review and approve all "related party" transactions, as defined by the rules of the applicable regulatory authorities.
19. Review the status of taxation matters of the Corporation and its major subsidiaries.
20. Establish procedures for:
 - a. the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 - b. the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
21. Review regular reports from management and others with respect to the Corporation's compliance with laws and regulations having a material impact on the financial statements of the Corporation.
22. Review annually the Corporation's reserves, if any, with respect to environmental, health and safety matters.
23. Review quarterly, for reasonableness, the valuations of any derivatives held by the Corporation, in connection with the Corporation's financial reporting.
24. Review quarterly, for reasonableness, the valuations of the Corporation's investments in private and public companies, if and where applicable, in connection with the Corporation's financial reporting.
25. Conduct or undertake such other duties as may be required from time to time by any applicable regulatory authorities, including the TSX Venture Exchange or any other stock exchange.

26. At least annually, undertake a self assessment of the Committee's performance of its duties

The foregoing list of duties is not exhaustive, and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its responsibilities..

D. Meetings

1. Meetings of the Committee are held as required and at least quarterly.
2. Committee meetings may be called by the Chair of the Committee or by a majority of the Committee members.
3. The procedures for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those applicable to meetings of the Board. Notwithstanding such procedures, a meeting of the Committee may also be called by the external auditor.
4. A quorum for the transaction of business at any meeting of the Committee is a majority of appointed members.
5. The Committee may invite to a meeting any officers or employees of the Corporation, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.
6. Meetings may be held by way of telephone conference call or videoconference.
7. A written resolution signed by all Committee members entitled to vote on that resolution at a meeting of the Committee is as valid as one passed at a Committee meeting.
8. The Corporate Secretary will ensure that minutes of the proceedings of all meetings of the Committee are maintained and available to the Board when requested.

E. Reporting

The Committee shall report on its review of the annual audited consolidated financial statements and quarterly unaudited consolidated financial statements of the Corporation to the Board prior to the approval of financial statements by the Board. In addition, the Chair of the Committee shall, when deemed necessary or when requested by the Chair of the Board, report to the Board from time to time on the activities of the Committee.