HAMMOND MANUFACTURING COMPANY LIMITED

ANNUAL INFORMATION FORM

For the year ended December 31, 2025

Prepared as of March 10, 2026

Table of Contents: page number

CORPORATE STRUCTURE

The Company was founded in 1917 under the name of O.S. Hammond and Son and was incorporated as Hammond Manufacturing Company Limited ("Hammond" or the "Company") in 1944 by letters patent under the laws of Ontario, Canada, incorporated under the *Business Corporations Act (Ontario)*, and continued through amalgamations, the last of which occurred on January 1, 1999, and a re-organization on January 1, 2001.

The 2001 re-organization was implemented through a Plan of Arrangement, which was approved by the shareholders of Hammond at a Special Meeting on December 8, 2000. Under the Plan of Arrangement, the dry-type transformer business has been spun-off into Hammond Power Solutions Inc. (HPSI), a new public company. The business of Moloney was also spun-off into a separate company, Moloney Electric Inc. ("MEI"), which was owned by HPSI and Hammond (45% each) with the pre-spin-off Moloney senior management owning the remaining 10% of the shares. Effective January 9, 2008 HPSI & Hammond sold their interest in MEI to Universal Power Transformer Private Limited.

Hammond continues its operations related to the enclosure, rack, small case, electronic transformer, and surge suppressors businesses.

Hammond's principal and registered office is located at:

394 Edinburgh Road North, Guelph, Ontario, N1H 1E5

Phone: # (519) 822-2960
fax: # (519) 822-7289
email: ir@hammfg.com

Websites: www.hammfg.com
www.hammondmfg.com

FORWARD LOOKING STATEMENTS

Advisory – Certain information in this Annual Information Form (AIF) is forward-looking and is subject to important risks and uncertainties. This AIF contains forward-looking statements that involve a number of risks and uncertainties, including statements that relate to among other things, Hammond strategies, intentions, plans, beliefs, expectations and estimates, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" and words and expressions of similar import. Although Hammond believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from expectations include but are not limited to: general business and economic conditions (including but not limited to currency rates); changes in laws and regulations; legal and regulatory proceedings; and the ability to execute strategic plans. Hammond does not undertake any obligation to update publicly or to revise any of the forward looking statements contained in this document, whether as a result of new information, future events or otherwise, except as required by law.

INTERCORPORATE RELATIONSHIPS

Wholly owned subsidiaries of Hammond

Canada

- Hammond Manufacturing (Quebec) Inc.
  Incorporated in Quebec

USA

- Hammond Manufacturing Company Inc.
  Incorporated in New York
- Hammond Holdings Inc
  Incorporated in New York
- Paulding Electrical Products Inc.
  Incorporated in North Carolina

UK

- Hammond Electronics Limited
  Registered in England

Europe

- Hammond Electronics B.V.
  Registered in the Netherlands

ASIA

- Hammond Electronics Asia Limited
  Registered in Taipei, Taiwan

Australia

- Hammond Electronics Pty. Ltd.
  Registered in Australia

Other investments of Hammond

- RITEC Enclosures Inc. ("RITEC"), Taipei, Taiwan
  40% equity investment
- Glen Ewing, Georgetown property, Ontario, Canada
  50% co-tenancy with Hammond Power Solutions Inc. (HPSI)

GENERAL BUSINESS DESCRIPTION

Hammond manufactures a broad range of products for the electronic and electrical products industry, consisting of metallic and non-metallic enclosures, racks, plastic and die-cast small cases, surge suppressors and transformers. The Company is also a reseller of auxiliary and complimentary purchased products.

Electrical enclosures and racks are designed and manufactured at our facilities in Guelph and Palmerston, Ontario. These plants also offer full design and modification manufacturing capabilities for customer applications.

Racks, rack cabinets, and accessories have been designed for such markets as Voice/Data, Security, Audio/Visual, Data Center and Test/Measurement. We have over 3,000 unique rack mounting solutions available.

The electrical enclosure industry is comprised of manufacturers and suppliers of enclosures to equipment manufacturers and contractors. Cabinetry is typically designed to perform a number of functions including physical protection, provision for air movement, appearance and shielding from electrical interference, dust, oil, water and heat. Examples in the electrical industry include control panels and consoles for industrial equipment.

The majority of enclosures are constructed from steel, stainless steel and aluminum which have been fabricated through laser cutting, punching, folding, welding and painting operations. Participants in the industry are diverse and include small, owner-operated businesses, divisions of large integrated companies and electrical OEMs who supply their own needs.

Electronic products (plastic and metal small cases, racks, surge suppressors and transformers) are manufactured at facilities based in Waterloo and Guelph, Ontario, a facility located in Cheektowaga, New York (plastic small cases), at the U.K facility and at RITEC. These products share common distributor channels and customer bases within the electronic and electro-mechanical marketplace. The products are sold worldwide through a network of agents and distributors and are featured in leading electronic global catalogues. The Company is also a reseller of products, supplied by companies from Canada, the US, the UK, China, Germany, Taiwan, Portugal and other global sources.

GENERAL DEVELOPMENT OF THE BUSINESS

The following describes the general development of the business over the last three years.

The Company's strategic investments and favourable market conditions have supported strong growth, with net product sales increasing 24.6%, from $225,922,000 in 2022 to $281,406,000 in 2025.

In 2025, the United States significantly expanded its use of tariffs that created uncertainty and increased costs for products shipped into the U.S. market. As more than 60% of our products are sold into the United States, these tariffs have resulted in higher overall operating costs.

Over the past three years, the Company has focused on maximizing existing capacity while expanding where possible. In 2025, the Company we added 65,837 square feet of production and warehouse space through the lease of an additional unit in the UK compound and a facility in Calgary, Alberta. Earlier, in June 2023, the Company opened a new 96,000-square-foot facility housing a paint line and metal fabrication operations. The total investment for the land, building, and equipment associated with this facility was $28 million.

This new facility has provided additional capacity for our contractor product line while relieving pressure on existing operations. In Q4 2024, a new Laser / Punch was installed in the facility to further reduce costs and improve efficiency. Existing facilities continue to operate near full capacity, and efforts remain ongoing to streamline processes and enhance operational efficiency.

In August 2024, the Company secured an 11.49-acre industrial site in Fergus, Ontario, providing room for future expansion when required.

Project financing has been sourced primarily through the Company's existing banking facilities. Aside from the investments noted above, there have been no other significant acquisitions, dispositions, or changes in business trends during this period.

The Company's Guelph-area workforce employee association agreement was successfully ratified in May 2024 and will remain in effect until November 2026.

SALES AND MARKETING

Hammond employs a direct sales force and uses independent sales agencies. Sales are made to wholesale distributors, and OEMs (original equipment manufacturers).

Hammond's sales are spread broadly among many markets and industries. In 2025 approximately 63% (2024 - 62%) of sales were in the United States, 32% (2024 - 32%) in Canada, and 5% (2024 - 6%) in international markets.

MANUFACTURING METHODS

Manufacturing metal enclosure products primarily involves shearing, laser cutting, punching, folding, welding, painting and gasketing processes. Hammond employs a number of advanced processes in order to maintain its production efficiency including state-of-the-art laser cutting technology, computer numerically controlled ("CNC") presses, programmable gauging for shears and press brakes, automated welding and grinding, pour in place gasketing and paint lines. Non-metallic enclosure products are manufactured using injection-molding machines, with additional equipment to enable product modifications.

Hammond employs engineers and technicians to ensure that its products are technologically current and to engineer modified and customized products. To differentiate itself in the marketplace and to improve manufacturing efficiencies, Hammond has invested in staff development and equipment employing the latest technologies. These investments allow the Company to compete for contracts which other industry participants may not be able to perform.

RAW MATERIALS

Raw materials for the Company's products consist primarily of metal products (aluminum and steel) of various types, shapes and sizes, plastics for molded products, copper wire for transformers, and other manufactured components. The Company purchases its raw materials from many suppliers and is not dependent on any single supplier for any of its raw materials.

Some of the raw materials used by the Company such as, steel, copper and aluminum, are subject to market price fluctuations. The Company is not committed to, nor does it have rights under, any long-term supply contracts for these materials.

FACILITIES

Hammond operates sixteen manufacturing and/or sales and distribution facilities of which thirteen are located in Canada, one in the US, one in the UK, and one in Australia. The Company's manufacturing and corporate service facilities contain a total of approximately 904,000 square feet of space of which approximately 393,000 square feet are leased.

The Company owns five of the facilities occupied by the Company for use in its operations; the remaining facilities are leased.

COMPETITIVE CONDITIONS

Competitors of Hammond include large companies, such as, nVent / Hoffman, Rittal and others, some of who have substantially greater resources than the Company. In addition, the Company believes that there are many companies in North America competing in some segment of Hammond's business.

The Company competes primarily on the basis of price, quality, service, availability, reliability, and engineering expertise. The recent increase in U.S. tariff measures has introduced additional costs when importing goods into the United States. Even products that are compliant with CUSMA may still be subject to tariffs if they fall under Section 232 provisions.

TRADEMARKS AND LICENSES

The Company markets substantially all its products under the registered trade name "Hammond Manufacturing" and "Hammond Electronics" which the Company believes is significant in the marketing of its products.

EMPLOYEES

At the end of the year the Company had approximately 1,041 employees (968 - 2024) consisting of approximately 19% salaried staff (20% - 2024) and 81% hourly workers (80% - 2024). The majority of the Corporation's employees are in Canada with the remainder in other facilities in the United States and the UK.

The majority of the Company's Guelph plant hourly workers are members of a certified employee association.

Management characterizes the Company's labour relations as excellent and there has not been a work stoppage at any of Hammond's continuing operations.

SELECTED CONSOLIDATED FINANCIAL DATA (see Appendix A)

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis commenting on the consolidated financial condition and results of operations of the Company is included on pages 5 to 21 of Hammond Manufacturing Company Limited's 2025 Annual Report to Shareholders. The 2025 Annual Report and the Management Discussion and Analysis, which includes comments on the outlook and risks of the Company, can be found under the Company's SEDAR profile at www.sedarplus.ca.

RISK FACTORS

For information regarding risk factors relating to the Company and its business, see the discussion under the "RISKS AND UNCERTAINTIES" in the Management Discussion and Analysis starting on page 17 of the Company's 2025 Annual report, which is available on SEDAR at www.sedarplus.ca.

DIVIDENDS AND DISTRIBUTIONS

The Company does not currently have a dividend policy. The Company is required to have written consent of its principal banker, RBC Royal Bank, prior to issuing a dividend if the dividend is in excess of net profit after tax. The following chart depicts dividend activity in the last 3 years. Dividends were all considered cash dividends and declared and paid on both Class A Subordinate Voting Shares and Class B Common shares (not listed on the TSX).

Declared	Paid	Dividend per share	Total Paid
March 10,2026	April 8, 2026	$ 0.03	$ 340,000
July 29, 2025	August 22, 2025	$ 0.03	$ 340,000
March 4, 2025	April 4, 2025	$ 0.03	$ 340,000
July 30, 2024	August 23, 2024	$ 0.03	$ 340,000
March 5, 2024	April 4, 2024	$ 0.03	$ 340,000
August 1, 2023	August 25, 2023	$ 0.03	$ 340,000
March 7, 2023	April 6, 2023	$ 0.03	$ 340,000

DESCRIPTION OF CAPITAL STRUCTURE

The Corporation has an authorized capital of an unlimited number of Class A Subordinate Voting Shares and an unlimited number of Class B Common Shares, each without par value. As at the date hereof there were issued and outstanding 8,556,000 Class A Subordinate Voting Shares and 2,778,300 Class B Common Shares. The holders of the Class A Subordinate Voting Shares and the holders of the Class B Common Shares are entitled to receive notice of and to attend any meeting of the shareholders of the Corporation except for a meeting of the holders of shares of any other class, as such, or a meeting of the holders of shares of a particular series. Each Class A Subordinate Voting Share carries the right to one vote. Each Class B Common Share carries the right to four votes. All Class B Common shareholders and Class A Subordinate voting shareholders of record on the books of the Corporation at the time of holding of the Meeting will be entitled to attend and to vote the Class B Common Shares and/or the Class A Subordinate Voting Shares registered in their respective names at the Meeting if present in person or by proxy duly completed and delivered to the Corporation in accordance with the instructions of the instrument of proxy.

MARKET FOR SECURTIES

The Company's Class A Subordinate Voting Shares are listed on the Toronto Stock Exchange (the "TSX") and traded under TSX symbol **HMM.A**. 2,129,511 (2024 – 3,931,462) Class A Subordinate Voting Shares were traded in 2025 for a total value of $20,823,684 (2024 - $42,241,571 yielding an average share price of $9.78 per share in 2025 (2024 - $10.74).

The monthly price ranges and volume traded in 2025 is shown in the following table:

MONTH	High	Low	Volume
Jan	$ 10.93	$ 9.11	255,829
Feb	$ 10.40	$ 8.03	299,158
Mar	$ 9.28	$ 8.37	139,218
Apr	$ 8.77	$ 7.07	196,603
May	$ 9.60	$ 8.50	80,670
Jun	$ 10.20	$ 8.99	80,147
Jul	$ 10.51	$ 9.69	130,942
Aug	$ 10.41	$ 8.97	176,047
Sep	$ 9.88	$ 8.97	157,844
Oct	$ 11.58	$ 9.59	335,770
Nov	$ 12.25	$ 10.75	168,215
Dec	$ 11.85	$ 10.86	109,068

DIRECTORS AND OFFICERS

DIRECTORS:

Name / Residence / Principal Occupation/Employment or Business Past 5 Years	Director Since
ROBERT FREDERICK HAMMOND Guelph, Ontario, Canada Chief Executive Officer and Chairman of the Corporation since 1978 Non-independent Director	June 1972
EDWARD SEHL Guelph, Ontario, Canada Principal - Sehl Consulting Director - The Elliott Community <u>Previous positions:</u> Chief Financial Officer at Odd Burger Corporation Director - Odd Burger Corporation Director - Guelph General Hospital Independent Director	May 2007
PAUL QUIGLEY Port Severn, Ontario, Canada <u>Previous positions:</u> President of Quigley Group Inc. Director / Consultant - Stinson Equipment Ltd. President & General Manager - Cut Above Natural Stone Independent Director	September 2010

Name / Residence / Principal Occupation/Employment or Business Past 5 Years	Director Since
SHEILA HAMMOND B.A, B.Ed, M.Sc. Guelph, Ontario, Canada Registered Individual, Couple and Family Therapist (Retired) Officer and Director of Eramosa Group Ltd. Non-independent Director	May 2013
MICHAEL FRICKER North York, Ontario, Canada Chief Financial Officer at Sarku Japan Director of the Tippet Foundation Previous position: Director of Odd Burger Corporation Chief Financial Officer at Qvella Corporation Director of Edjar International Inc. Independent Director	May 2017
SARAH HANSEN Calgary, Alberta, Canada Western Regional Sales Manager of Hammond Manufacturing Company Limited Director of Eramosa Group Ltd. Director of DKH Engineering Services Inc. Previous position: Profit Centre Manager for Riptide Fulfillment Corporation in Calgary Operations Manager of Emco Corporation in Calgary Director of Canadian Institute of Plumbing and Heating, Calgary Chapter Non-independent Director	May 2017
BLAINE WITT Buffalo, NewYork, USA Vice President - Senior Consultant of Witt Holding Company, Inc. Previous positions: Chief Sales Officer of Pfannenberg Group Holdings President of Pfannenberg Inc. Independent Director	May 2022

ADDITIONAL DISCLOSURE RELATING TO DIRECTORS

All independent directors of the Company are members of the Audit Committee and Compensation Committee.

No proposed director of Hammond Manufacturing Company Limited is, or within the ten years prior to the date of this Annual Information Form has been, a director, chief executive officer or chief financial officer of any company that: (i) was subject to a cease trade order or similar order or an order that denied the company access to any exemptions under securities legislation for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; (ii) was subject to a cease trade order or similar order or an order that denied the company access to any exemptions under securities legislation for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or (iii) while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. No proposed director has, within the ten years prior to the date of this Annual Information Form, 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.

The Audit Committee currently consists of four members, Michael Fricker, Edward Sehl, Paul Quigley and Blaine Witt who are independent, non-management directors of the company. All four current members of the Audit Committee are financially literate. The Audit Committee's mandate and relevant experience of its members are further described in the Audit Committee Charter included as Appendix B to this Annual Information Form.

EXTERNAL AUDITOR SERVICE FEES

The following summarizes the professional services rendered by KPMG LLP to the Company for the years ended December 31, 2025, and December 31, 2024:

Professional Service	2025	2024
Audit Fees (1)		
Audit Fees	$ 246,931	$ 241,833
Pension Plan Audit	$ 10,500	$ 10,165
Tax Fees (2)		
Compliance Services	$ 43,472	$ 68,355
Tax handling of US Director	$ 2,860	$ 4,173

Notes

(1) Audit Fees reflect the aggregate fees billed for audit services of the Company's consolidated financial statements as well as the audit of our Canadian Pension Plan.

(2) Tax Fees reflect the aggregate fees billed for tax compliance, tax advice, and tax planning services.

OTHER OFFICERS/ SENIOR MANAGEMENT:

Name / Residence / Title	Date of Hire
Ross Hammond Waterloo, Ontario Assistant Secretary & Business Development Manager	Feb 1996
Alexander Stirling Kitchener, Ontario Secretary & Executive VP	Sep 2007
Paul Heuts Caledon East, Ontario CFO	Nov 2025

The Company has employed all of the above officers for over ten years except for Paul Heuts who joined as the CFO in November of 2025.

MANAGEMENT SHARE OPTION PLAN

In 1986 Hammond introduced a management share option plan ("MSOP") providing for the granting to directors, officers and key employees of options to purchase up to an aggregate of 10% of the Class A Subordinate Voting Shares of the Company outstanding from time to time. The exercise price of the options may not be less than 100% of the market price of the Class A Subordinate Voting Shares at the date the option is granted. In 1996 the plan was amended to comply with the Toronto Stock Exchange regulations, defining a specific number of shares available for issuance under the terms of the plan. 540,000 Class A Subordinate Voting Shares were approved as issuable under the plan. As at the date hereof, the number of shares remaining available for issuance was 458,000 Class A Subordinate Voting Shares, 82,000 shares having been exercised since the inception of the plan. Individuals eligible to be granted options under the Plan are limited to selected officers, employees, including directors of the Corporation and its subsidiaries as approved by the Board of Directors. The size of the options granted to individual participants may vary, as determined by the Board of Directors. As of December 31, 2025, no share options were outstanding. Subsequent to year-end no options were granted or exercised.

NOTES OF SHAREHOLDINGS OF DIRECTORS AND OFFICERS (as at the date hereof)

As at the date thereof Robert Frederick Hammond owns all the shares of Eramosa Group Limited. Eramosa Group Limited beneficially owns 848,365 Class A Subordinate Voting Shares and 2,778,300 Class B Common Shares of the Corporation directly. Robert Frederick Hammond owns 847,108 Class A Subordinate Voting Shares of the Corporation directly.

The non-management directors and senior officers beneficially own 73,682 Class A subordinate Voting Shares of the Corporation, representing approximately 0.9% of the issued and outstanding Class A Subordinate Voting Shares of the Corporation.

ENVIRONMENTAL ISSUES AND LEGAL PROCEEDINGS

The Company has one site for which there are environmental issues. This site is currently being remediated to contain any contamination to surrounding properties. This site is further described in note 9 and note 15 of the financial statements in the Company's 2025 Annual report, and also described in the Management Discussion and Analysis of the Company's 2025 Annual report, which is available on SEDAR at www.sedarplus.ca.

A third-party statement of claim was issued on March 6, 2019, against the Company with respect to an adjacent property to one of our Waterloo facilities. The claim alleges that contaminants originating from our property have migrated to the adjoining property owned by the claimants. The amount of the claim is estimated at $160,000 to $670,000. Our records do not show any spills of chemicals at this location and management is unable to reasonably estimate any liability that may arise as a result of this claim. As such, no amount has been recorded in these condensed consolidated financial statements.

From time to time the Company is exposed to various legal claims in the normal course of operations. The Company's insurance coverage will responded to these claims.

There are no other claims outstanding at this time.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Management is not aware of any interest of insiders in material transactions with the Company.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is:

Computershare Investor Services Inc.
320 Bay Street, 14th Floor
Toronto, Ontario, M5H 4A6
Tel: 1-800-564-6253 (toll free in Canada and the United States)
Or 514-982-7555 (International direct dial)

MATERIAL CONTRACTS

The Company did not enter into any material contracts in 2025, other than contracts entered into in the ordinary course of business.

INTERESTS OF EXPERTS

The auditors of the Company are KPMG. The Company believes that KPMG does not hold any interests in the securities of Hammond Manufacturing Company Limited.

ADDITIONAL INFORMATION

Additional information, including director's and officer's remuneration and indebtedness, principal holders of the securities, options to purchase securities and interests of insiders in material transactions is contained in the Information Circular for the Annual Meeting of shareholders to be held on April 28, 2026. Additional financial information is provided in the comparative statements as well as the MD&A for the 2025 financial year and a copy of such documents may be obtained upon request from the Secretary, or may be found under the Company's SEDAR profile at www.sedarplus.ca.

The foregoing, together with any information incorporated by reference, contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated herein in accordance with the requirements of this Annual Information Form or that is necessary to make a statement contained herein not misleading in light of the circumstances in which it was made.

Robert F. Hammond

Chairman & CEO

Alexander Stirling

Secretary & Executive VP

MARCH 10, 2026
AIF 2025

APPENDIX A

SELECTED CONSOLIDATED FINANCIAL DATA

The following selected financial data of the company, as it relates to each of the three years ended December 31, 2025, is derived from the audited consolidated financial statements of the Company.

Three year financial summary:

For the years ended December 31,
(In thousands except per share amounts)

Consolidated Statements of Comprehensive Income	**2025**	2024	2023
Net sales	**$ 281,406**	$ 244,898	$ 238,285
Income from operating activities	**22,293**	27,600	28,088
Net income for the year	**14,408**	18,374	18,761
Per share - basic & fully diluted net earnings for the year	**$1.27**	$1.62	$1.66

Consolidated Statement of Financial Position	**2025**	2024	2023
Total assets	**$ 235,130**	$ 214,789	$ 189,758
Total funded debt and lease liabilities	**60,299**	56,728	56,451
Working capital	**67,705**	56,044	43,075
Net cash generated from operating activities	**25,473**	33,665	16,895
Dividends declared and paid	**680**	680	680
Shareholders' equity	**$ 131,636**	$ 119,535	$ 98,999

MARCH 10, 2026
AIF 2025

APPENDIX B

The Charter of the Audit Committee of the Board of Directors of Hammond Manufacturing Company Limited

1. The Audit Committee (the **"Committee"**) shall consist of a minimum of three directors who are independent of the Corporation and of any shareholder holding a sufficient number of shares to exert influence on the Board of Directors. The Committee is currently comprised of Michael Fricker (Chairman of the Committee), Edward Sehl, Paul Quigley and Blaine Witt.

2. All members of the Committee are considered by the Board of Directors to be "financially literate" within the meaning ascribed from the Multilateral Instrument 52-110 (Audit Committees). The following is a table of the relevant education and experience of each member of the Committee as at December 31, 2025:

Name	Relevant Education and Experience
Edward Sehl	A graduate of the Chartered Director's program at McMaster's DeGroote School of Business, graduate of Wilfrid Laurier University with an Honours B.B.A and a M.B.A from York University, Toronto. A chartered accountant with over 40 years of experience in financial positions.
Paul Quigley	Over 35 years in senior business management positions. Paul is the President of Quigley Group Inc.. Paul was previously Director / Process Architect for Just Fix It Inc., Director / Consultant at Stinson Equipment Ltd. And President and General Manger of Cut Above Natural Stone.
Michael Fricker	A CPA (CA) and CFA charter holder with over 25 years of experience in financial positions. Michael has a BA in Economics from Queen's University, and a diploma in accounting from Wilfred Laurier. Michael is currently Chief Financial Officer for Edjar International Inc. (dba Sarku Japan) and serves on the Board of Directors of the Tippet Foundation.
Blaine Witt	Blaine Witt graduated from the Industrial Distribution program at Clarkson University in 1989. Blaine Witt has over 35 years of industrial B2B Sales and Top Level Management experience. Currently Blaine is Vice President of Witt Holding Company, Inc. Blaine retired from Pfannenberg Group Holdings in 2021 where he held the position of Chief Sales Officer. Prior to this Blaine was President of Pfannenberg Inc.

3. The mandate of the Audit Committee consists of the following objectives:

   (a) The Committee will review the financial statements and related disclosures; including reports to shareholders, MD&A, Annual Information Form, Management Information Circular, annual and interim earnings press releases, and other related communications and make recommendations to the Board of Directors for their release.
   (b) The Committee will periodically assess the adequacy of procedures in place related to the review of public disclosure of information derived from the financial statements, other than the public disclosure described in (a) above.
   (c) The Committee shall review the process relating to and the certifications of the Chief Executive Officer and the Chief Financial Officer on the integrity of the Company's quarterly and annual consolidated financial statements
   (d) The Committee will recommend to the Board of Directors the external independent auditor to be nominated to perform the annual audit and issue an auditor's report.
   (e) The Committee will review the external auditor's audit process, including the scope, fees and timing of the audit and recommend to the Board of Directors the compensation of the external auditor.
   (f) The Committee will provide oversight to the audit process and facilitate resolution of disagreements that may arise between management and the external auditor regarding financial reporting. In addition, the Committee will monitor the independence of the external auditor.
   (g) The Committee will review and discuss with management and the external auditors the adequacy of the Company's internal controls and financial reporting controls
   (h) The Committee will review and discuss with management and the external auditors the accounting policies which may be viewed as critical, and review and discuss any significant changes in the accounting policies of the Company that may have a significant impact on the Company's financial reports.
   (i) The Committee will review and provide approval for non-audit services to be provided by the external auditor.
   (j) The Committee will ensure that a procedure is in place for the receipt, retention and treatment of complaints received by the Corporation regarding fraud or illegal acts, and provide a system for the confidential and anonymous submission by employees of the Corporation of issues and concerns related to questionable accounting or auditing matters.

4. The Committee shall convene meetings as deemed necessary to fulfill the objectives of its mandate. Generally four times per year.

5. Unless the Committee otherwise specifies, the Secretary of the Corporation shall act as Secretary of all meetings of the Committee.

6. The Committee will hold meetings in private with the external auditor as deemed necessary to fulfill the objectives of its mandate.

7. A copy of the minutes of each meeting of the Committee shall be provided to all Directors of the Corporation in a timely fashion.

8. The Committee shall have the authority to conduct or authorize investigations into any matters within its scope of responsibilities with full access to all books, records, facilities, and personnel and shall have the authority to retain outside counsel, experts and other advisors as it determines appropriate to assist it in the conduct of any investigation.

9. The Committee will review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

10. The Committee will review financial and accounting personnel succession planning within the company.

11. Establish and monitor the Company's Whistleblower policy.

12. Review and approve periodically management's risk management program and policies.

13. Annually review the adequacy of the insurance coverage for directors, officers, Board committee chairs and committee members.

14. The Committee will review and update this Charter on a periodic basis for approval by the Board of Directors.