KDA

ANNUAL GENERAL AND SPECIAL MEETING

TO BE HELD ON MAY 16, 2024

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

APRIL 17, 2024

KDA GROUP INC.

NOTICE OF AN ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting of shareholders (the "**Meeting**") **of KDA GROUP INC.** (the "**Corporation**") **will be held on Thursday, May 16, 2024, at 10:30 a.m. (Eastern Daylight Time – Montreal time) at 101 Boulevard Roland-Therrien, Suite 100, Longueuil, Québec, J4H 4B9, and at any adjournment or postponement thereof, for the following purposes:**

1. To receive the financial statements of the Corporation for the year ended July 31, 2023 and the auditor's report;
2. To elect directors of the Corporation;
3. To appoint the auditor and authorize the Board of Directors to set their compensation;
4. To consider and, if deemed advisable, approve and adopt an ordinary resolution (the full text of which is reproduced as Schedule "A" to the accompanying Management Information Circular) approving and ratifying the new by-law of the Corporation;
5. To consider and, if deemed advisable, approve and adopt an ordinary resolution (the full text of which is reproduced as Schedule "B" to the accompanying Management Information Circular) approving the amendments to the Stock Option Plan to increase the maximum aggregate number of Class A shares that may be issued pursuant to such stock option plan and update the terms of the plan; and
6. To transact such other business as may properly come before the Meeting.

Only those holders of Class A shares of the Corporation who are registered holders as at the close of business on April 11, 2024 may exercise, in person or by proxy, their voting rights in accordance with the rights attached to their shares.

The accompanying Management Information Circular provides detailed information on matters to be dealt with at the Meeting and is hereby deemed to be an integral part of this Notice of Meeting.

Thetford Mines, Québec, April 17, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

(s) *Marc Lemieux*

Marc Lemieux, Chief Executive Officer

Shareholders eligible to vote but unable to attend in person are requested to complete, sign and forthwith return the enclosed form of proxy in the envelope provided for that purpose. A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is deposited with Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, transfer agent of the Corporation, not later than 5:00 p.m. (Eastern Daylight Time) two business days preceding the Meeting or any adjournment thereof. Also, the proxy can be received by the Chairman or Secretary of the Meeting at the time and place of the Meeting or any adjournment thereof, prior to the commencement thereof. Any question regarding proxies may be addressed to Computershare Investor Services Inc. at 1-800-564-6253, Shareholders Services.

KDA GROUP INC.
(the "**Corporation**")

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This Management Information Circular (the "**Circular**") **is provided with regard to the solicitation of proxies by the management of the Corporation in connection with the Annual General and Special Meeting of shareholders of the Corporation** (the "**Shareholders**") **to be held on Thursday, May 16, 2024, at 10:30 a.m. (Eastern Daylight Time – Montreal time) at 101 Boulevard Roland-Therrien, Suite 100, Longueuil, Québec, J4H 4B9, and for the purposes set forth in the attached Notice of Meeting and at any adjournment or postponement thereof** (the "**Meeting**"). The solicitation of proxies will be done primarily by mail but may be supplemented by telephone or other personal contact by directors of the Corporation, such directors receiving no compensation therefore. The cost of solicitation of proxies will be borne by the Corporation. Unless otherwise indicated, the information contained herein is given as of Wednesday, April 17, 2024.

APPOINTMENT OF PROXIES

The persons designated in the enclosed form of proxy are directors of the Corporation. **Each Shareholder has the right to appoint a person to represent such Shareholder at the Meeting, other than the persons designated in the enclosed form of proxy.** A Shareholder desiring to appoint some other person to represent such Shareholder at the Meeting may do so by inserting the name of such other person in the blank space provided in the enclosed form of proxy or by submitting another appropriate form of proxy. A person acting as proxy need not be a Shareholder of the Corporation.

In order to be valid for the Meeting or any adjournment thereof, a form of proxy must be deposited with Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, transfer agent of the Corporation, not later than 5:00 p.m. (Eastern Daylight Time) two business days preceding the Meeting or any adjournment thereof. In addition, a form of proxy can be handed to the Chairman or Secretary of the Meeting at the time and place of the Meeting or any adjournment thereof, prior to the commencement thereof. Any question regarding proxies may be addressed to Computershare Investor Services Inc. by telephone at 1-800-564-6253, Shareholders Services or by e-mail at service@computershare.com.

REVOCATION OF PROXIES

A Shareholder giving a proxy has the power to revoke it as to any matter on which a vote has not already been cast pursuant to the authority conferred by such proxy and may do so either: (i) by delivering another properly executed proxy bearing a later date to Computershare Investor Services Inc. at the above-mentioned address not later than 5:00 p.m. (Eastern Daylight Time) two business days preceding the Meeting or any adjournment thereof, or to the Chairman or Secretary of the Meeting at the day of the Meeting before the Meeting or any adjournment thereof; or (ii) by depositing, either with Computershare Investor Services Inc. at the above-mentioned address not later than 5:00 p.m. (Eastern Daylight Time) two business days preceding the Meeting or any adjournment thereof, or with the Chairman or Secretary of the Meeting at the day of the Meeting, or any adjournment thereof, an instrument in writing revoking the proxy and executed by the Shareholder or by his attorney authorized in writing. If the Shareholder is a corporation, this instrument must be executed by a duly authorized officer under its corporate seal and accompanied by a corporate resolution authorizing the signature.

VOTING OF SHARES REPRESENTED BY PROXIES

If the enclosed form of proxy is properly completed and submitted in favour of a proxyholder, the shares represented by the form of proxy will be voted on any ballot that may be called for by the proxyholder designated in the form of proxy in accordance with the directions of the Shareholder. **If no instructions are given, the voting rights attached to the Class A shares of the Corporation** (the "**Class A Shares**" or the "**Common Shares**") **will be exercised by the proxyholder who is a director of the Corporation in FAVOUR of / FOR the adoption of the resolutions mentioned in the Notice of Meeting. If no instructions are given, any other proxyholder (other than the proxyholder who is a director of the Corporation designated in the printed portion of the form) will have discretionary authority when exercising the voting rights attached to the Common Shares concerning these matters.**

The enclosed form of proxy confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to matters other than those identified in the Notice of Meeting which may properly be brought before the Meeting. As of the date hereof, the management of the Corporation is not aware that any such amendments, variations, or other matters are to be presented for action at the Meeting. **If any matter that are presently not known to the management of the Corporation should properly be brought before the Meeting, then on any ballot that may be called for, the persons designated in the enclosed form of proxy will exercise the voting rights attached to the Common Shares in accordance with their discretionary authority on such matter.**

VOTING BY NON-REGISTERED SHAREHOLDERS

The information set forth in this section is of significant importance to holders of Common Shares who do not hold their shares in their own names.

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

(A) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of the Common Shares, such as, among others, banks, trust companies, securities dealers or brokers and directors or administrators of self-administered registered retirement savings plans, registered retirement income funds and registered educational savings plans and similar plans; or

(B) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

In accordance with the *National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") adopted by the Canadian Securities Administrators, the Corporation has distributed copies of the Notice of Meeting, this Circular, the form of proxy, the Corporation's 2022 financial statements and management discussion and analysis (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders.

Intermediaries are required to forward Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

(A) be given a proxy which has already been signed by the Intermediary (typically by facsimile, stamped signature) which is restricted as to the number of shares beneficially owned by the Non-Registered Shareholder but which is otherwise uncompleted. The Non-Registered Shareholder need not sign this form of proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy shall properly complete the form of proxy and deposit it with Computershare Investor Services Inc. as described above; or

(B) more typically, be given a voting instruction form that must be completed and signed by the Non-Registered Shareholder in accordance with the instructions on the voting instruction form (which may in some cases permit the completion of the voting form by telephone or by internet).

The voting rights attached to the shares held through brokers, agents or nominees should be exercised to vote for or against the proposed resolutions only in accordance with the instructions from the Non-Registered Shareholder. In the absence of express instructions, the brokers, their agents and nominees are not authorized to exercise the voting rights attached to the Common Shares of the clients of the brokers. The purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the shares they beneficially own. Should a Non-Registered Shareholder who receives either a form of proxy, a proxy or a voting instruction form wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the names of the persons designated in the proxy and insert the Non-Registered Shareholder's name (or the name of the other person) in the blank space provided or, in the case of a voting instructions form, in accordance with the relevant directions of such form. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediaries or their service companies and ensure that their instructions on how to exercise the voting rights attached to their Common Shares be sent to the appropriate person.**

A Non-Registered Shareholder who has filed a proxy can revoke it by contacting the Intermediary who is holding the Common Shares of the Non-Registered Shareholder and by following the instructions of the Intermediary concerning the revocation of proxies.

QUORUM FOR THE TRANSACTION OF BUSINESS

The Corporation's by-law provides that the quorum at a meeting of the Shareholders of the Corporation shall be constituted by the attendance of at least two Shareholders, present in person or represented by proxy, holding at least 10% of the issued and outstanding shares of the Corporation carrying the right to vote at the Meeting.

RECORD DATE

The board of directors of the Corporation (the "**Board of Directors**") has set April 11, 2024 as the record date for the Meeting. Only Shareholders of record as at that date are entitled to receive Notice of the Meeting and to vote at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS

The authorized share capital of the Corporation consists of an unlimited number of Class A Shares without par value and an unlimited number of Preferred shares issuable in series. On April 11, 2024, the Corporation had 175,399,280 Common Shares issued and outstanding. Each issued and outstanding Common Share is entitled to one vote at any meeting of Shareholders. The Common Shares are the only shares carrying the right to vote at the Meeting.

To the knowledge of the management of the Corporation, at the date hereof, no person holds, directly or indirectly, or exercises control or direction over shares carrying more than 10% of the voting rights attached to all shares of the Corporation other than the following Shareholders:

Shareholder Name	***Number of Voting Rights (1) (#)***	***Percentage of Issued and Outstanding Shares (%)***
Tenshi Life Sciences Pte. Limited	19,891,500	11.34

(1) Information relating to number of Voting Rights has been taken from the SEDI website.

MATTERS FOR CONSIDERATION AT THE MEETING

PRESENTATION OF FINANCIAL STATEMENTS

The audited consolidated financial statements of the Corporation for the year ended July 31, 2023 and the auditor's report thereon have been mailed to Shareholders who asked to receive these documents and will be presented to the Shareholders at the Meeting but no vote is required on this matter.

The Corporation's audited consolidated financial statements, auditor's report and management discussion and analysis for the financial years ended July 31, 2023 may also be accessed through the internet on the Canadian System for Electronic Document Analysis and Retrieval Plus ("**SEDAR+**") at www.sedarplus.ca or copies may be obtained without charge upon request to the Corporation at 1351, rue Notre-Dame Est, Suite 300, Thetford Mines, Québec, G6G 0G5. You may also access the Corporation's audited financial statements, auditor's report and management discussion and analysis for the financial years ended July 31, 2023 through the Corporation's website at www.groupkda.com.

ELECTION OF DIRECTORS

The Board of Directors of the Corporation is presently composed of four members. At the Meeting, the Shareholders will be required to elect four directors. **The persons designated in the enclosed form of proxy intend to vote for the election, as directors of the Corporation, of the nominees whose names are set forth below** (the "**Nominees**")**; these persons are members of the Board of Directors since the dates indicated herein.** Management does not contemplate that any Nominee will be unable or unwilling to serve as a director, but if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy reserve the right to vote for another nominee in their discretion, unless otherwise instructed in the proxy. Each director elected will hold office until the next annual meeting or until a successor is duly elected or appointed, unless his office is earlier vacated in accordance with the by-law of the Corporation.

The following table sets forth for each person proposed to be nominated for election by the management of the Corporation as a director of the Corporation, their name, their province of residence, their present occupation, business or employment, the date of their election or appointment as director of the Corporation and the committee(s) of the Board of Directors on which they serve. The table also indicates the number of Common Shares beneficially owned, directly or indirectly, or controlled or directed by the proposed person as of April 11, 2024.

Name, jurisdiction of residence and position	Principal occupation	Director since	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed (1)
Marc Lemieux (2) Québec, Canada President, CEO and Chairman	President, CEO and Chairman of KDA Group Inc.	January 2015	17,077,000 (3)
Isabelle Bégin (2) Québec, Canada Director	General Manager of AlliancePharma Opérations Inc.	January 2015	12,262,500 (3)
Patrick Fernet (2) Québec, Canada Director	Lawyer and President of Global Impact Services g.p.	January 2015	1,472,500
Michael W. Kinley Nova Scotia, Canada CFO and Director	Chartered Accountant	January 2015	220,000 (4)

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at April 11, 2024, based upon information either furnished to the Corporation by individual directors and/or taken from the SEDI public records. Unless otherwise indicated, such shares are held directly.

(2) Current member of the Audit Committee.

(3) Of which 6,095,000 are held indirectly through Gestions Isamar Adstock Inc. and 361,000 are held indirectly through 9224-9762 Québec Inc.

(4) Of which 213,333 are held indirectly through Winslow Associates Management & Communications Inc.

Each Nominee has provided the information pertaining to the number of Common Shares over which control or direction is exercised.

All of the Nominees whose names are hereinabove mentioned were elected directors of the Corporation at a Shareholders' meeting for which a management information circular was issued.

Biographical information regarding the Nominees is set out below:

Isabelle Bégin (Director) – In 2010, after practicing in the pharmaceutical industry as a sales representative for over 15 years and developing privileged relationships with pharmacist owners across the province of Québec, Mrs. Bégin decided to create a placement platform focused on practical solution for its customers. Mrs. Bégin holds a B.A.A. in business administration from the Laval University.

Patrick Fernet (Director) – Mr. Fernet is a lawyer and a graduate of the University of Montreal. He has also successfully completed the Canadian Securities Course and he is a graduate in business administration of the Cégep Jean-de-Brébeuf. Over the past 20 years he has worked as a legal consultant on business and financial matters for small cap emerging companies. Through these years he was involved and has acquired a wide experience in the legal, the accounting and the financial sector. He is also acting as director and member of the audit committee of public companies listed on the TSX Venture Exchange (the "**TSXV**").

Michael W. Kinley (Chief Financial Officer and Director) – Mr. Kinley received his Bachelor of Commerce degree from Mount Allison University in 1971 and his Chartered Accountant designation in Ontario in 1973. He earned his designation with KPMG, where he spent 20 years (1971-1991) the last ten as a partner. During the past twenty years Mr. Kinley has served as an officer and director for a number of public companies listed on the TSX Exchange, the TSXV and the CSE.

Marc Lemieux (President, Chief Executive Officer and Chairman of the Board of Directors) – Mr. Lemieux played a key role in KDA's growth. Through his guidance and leveraging on his experience of more than 20 years as a distributor of medical product and representative, Mr. Lemieux has been an essential contributor to KDA's business development and finance. Mr. Lemieux holds a B.A.A. in business administration from Laval University.

For further information about the terms and conditions of the remuneration of directors and the remuneration received during the most recently completed financial year, please refer to the subsection *Director compensation* under the section *Compensation of Executive Officers and Directors* of this Circular.

To the knowledge of the Corporation, no director of the Corporation is, as of the date of this Circular, or has been, in the 10 years prior to the date of this Circular, a director or an executive officer of any other corporation, that while the director was acting in that capacity, (i) was the subject of a cease trade or similar order or an order that denied it access to any exemption under securities legislation for a period of more than 30 consecutive days, or (ii) after the director ceased to act in that capacity, was the subject of a cease trade or similar order or an order that denied it access to any exemption under securities legislation for a period of more than 30 consecutive days because of an event which occurred while the director was acting in that capacity, or (iii) that while the director was in that capacity or in the year after the director ceased to act in that capacity, became bankrupt, made a proposal under any bankruptcy or insolvency legislation, was subject to any proceedings, arrangement or compromise with creditors or instituted any proceedings against the same, or had a receiver, receiver-manager or trustee in bankruptcy appointed to hold its assets.

In addition, to the knowledge of the Corporation, no director of the Corporation has, in the 10 years prior to the date of this Circular, become bankrupt, made a proposal under any bankruptcy or insolvency legislation, been subject to any proceedings, arrangement or compromise with creditors or instituted any proceedings against the same, or had a receiver, receiver-manger or trustee in bankruptcy appointed to hold its assets.

The following directors of the Corporation hold directorships in other reporting issuers as set out below:

Name	***Name of Reporting Issuer***	***Name of Exchange or Market (if applicable)***	***Position***	***From***	***To***
Patrick Fernet	Opus One Gold Corporation	TSXV	Director	05-2002	Now
	VVC Exploration Corporation	TSXV	Director	05-2004	Now
Michael W. Kinley	Canada One Mining Corp.	TSXV	Director and Officer	07-2017	Now
	Ceylon Graphite Corp.	TSXV	Officer	09-2023	Now
	EXMceuticals Inc.	CSE	Director and Officer	03-2020	Now
	Opus One Gold Corporation	TSXV	Director and Officer	02-1997	Now
	Silver Spruce Resources Inc.	TSXV	Director and Officer	03-2021	Now

The Shareholder can vote for the election of all the Nominees described above, vote for the election of some of them and withhold from voting for others, or withhold from voting for all of them. Unless otherwise instructed, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby FOR the election of each of the Nominee described above as director of the Corporation.

APPOINTMENT OF AUDITOR AND AUTHORIZATION TO THE BOARD OF DIRECTORS TO SET THE COMPENSATION OF THE AUDITOR

The Shareholders are asked to appoint Mazars, LLP ("**Mazars**"), as auditor of the Corporation for the current financial year ending July 31, 2024 (the "**Financial Year 2024**") and authorize the Board of Directors to set their compensation.

Mazars was appointed auditor of the Corporation at the annual meeting of Shareholders of the Corporation in June 2023 and the fiscal year ended on July 31, 2023 was the first fiscal year for which Mazars acted as auditor of the Corporation.

It is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby FOR the appointment of Mazars as auditor of the Corporation for the Financial Year 2024 and authorize the Board of Directors to set their compensation in accordance with the Audit Committee's recommendations, unless the Shareholder specifies in the form of proxy to withhold from voting.

Fees invoiced by the auditor of the Corporation for the financial years 2023, 2022 and 2021 are the following:

Financial Year Ending	***Audit Fees***	***Audit Related Fees***	***Tax Fees***	***All Other Fees***
July 31, 2023	$110,000	$4,500	$0	$0
July 31, 2022	$146,150	$0	$0	$0
July 31, 2021	$141,775	$2,491	$0	$0

NEW BY-LAW

The Corporation modified the by-law of the Corporation on June 29, 2016, in order to align such by-law with the provisions of an Investor Rights Agreement dated June 30, 2016, entered into between the Corporation and Persistence Capital Partners II, L.P. and Persistence Capital Partners II (International), L.P., (collectively "**PCP**") in connection with a private placement with PCP concluded in 2016 (the "**PCP Private Placement**").

The Corporation executed the complete full and total repayment, as of June 28, 2023, of its debts owed to PCP pursuant to the PCP Private Placement, and consequently there is no longer the requirement to have provisions in relation to the Investor Rights Agreement in the by-law of the Corporation.

Therefore, the Board of Directors determined that it would be in the best interest of the Corporation to adopt a new by-law of the Corporation.

At the Meeting, shareholders of the Corporation will be asked to consider and, if deemed appropriate, to approve, confirm and ratify, by an ordinary resolution, the full text of which is reproduced as Schedule "A" to this Circular, the new by-law of the Corporation attached to Schedule "A" as Schedule A-1.

The Board of Directors recommends to the Shareholders and their proxyholders to VOTE FOR the resolution approving, confirming and ratifying the new by-law. Adoption of this resolution will require a majority of the votes cast by the holders of Class A Shares or their proxyholders as the case may be.

In the absence of instruction to vote against the approbation, confirmation and ratification of the new by-law as described above, it is the intention of the persons named in the enclosed form of proxy

to vote the shares represented thereby FOR the approval, confirmation and ratification of such new by-law of the Corporation.

AMENDMENT TO THE STOCK OPTION PLAN

The Corporation believes that stock options granted pursuant to the stock option plan for the purpose of purchasing Common Shares (the "**Options**") are a valuable tool in retaining and compensating Directors, officers, consultants and selected employees and recruiting such qualified personnel. Accordingly, the Corporation adopted a new stock option plan in 2015, which was approved by the shareholders in 2016 (the "**Stock Option Plan**"). Description of the Stock Option Plan is set forth under the heading *Compensation of Executive Officers and Directors - Stock Option Plan.*

Currently, the Stock Option Plan provides that a maximum number of Class A Shares pursuant to the exercise of Options under the plan shall not exceed 25,284,189. This maximum number presently represents, in the aggregate, approximately 14.42% of the issued and outstanding Class A Shares. See the heading *Voting Securities and Principal Holders*.

In order to ensure that the Corporation can continue to use Options to attract, retain and motivate valuable human resources required to meet its business objectives, the Board of Directors believes that it is necessary to increase the number of options available to be granted. The increase of options available is required in particular in order to permit the grant of Options to executive officers and selected employees of the Corporation consistent with the Corporation's approach and philosophy regarding executive compensation.

Accordingly, the Board of Directors approved on April 10, 2024, an amendment to the Stock Option Plan to increase the maximum number of Class A Shares that may be issued pursuant to the exercise of Options under the Stock Option Plan from 25,284,189 to 35,079,856 subject to receipt of requisite regulatory and shareholder approval. The maximum 35,079,856 Class A Shares will represent, in the aggregate, 20% of the issued and outstanding Class A Shares. The Board of Directors also approved certain amendments to the Stock Option Plan to update its terms and conditions.

For the reasons indicated above, the Board of Directors believes that the proposed increase of maximum aggregate number of Common Shares that may be issued pursuant to the Stock Option Plan and the updates of such plan are in the best interests of the Corporation.

At the Meeting, the Shareholders will be asked to consider and, if deemed advisable, pass an ordinary resolution (the "**Resolution**") approving the increase of the maximum aggregate number of Class A Shares that may be issued pursuant to the exercise of Options under the Stock Option Plan and amendments thereto.

Pursuant to the policies of the TSXV, the Resolution is subject to the approval of disinterested shareholders since the terms of the Stock Option Plan do not provide that the maximum aggregate number of Class A Shares that are issuable pursuant to the exercise of Options granted i) in any 12 months period to any Person must not exceed 5% of the issued Class A Shares, ii) to Insiders must not exceed 10% of the Class A Shares at any point in time, and iii) in any 12 month period to Insiders (as a group) must not exceed 10% of the Class A Shares. Consequently, the resolution shall be approved by a majority of the votes cast by all Shareholders at the Meeting excluding a total of 51,229,286 votes attached to Class A Shares beneficially owned by Insiders to whom Options may be granted under the Stock Option Plan or any Associate of such Person (all capitalized terms as defined in the TSXV Corporate Finance Manual).

The Resolution must be approved by no less than a majority of the votes cast by the disinterested Shareholders present in person or by proxy at the Meeting. The text of the Resolution to be voted on at the Meeting is set forth in Schedule "B" to this Circular. A copy of the new amended Stock Option Plan is attached to Schedule "B" as Schedule "B-1".

In the absence of instruction to vote against the Resolution as described above, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby FOR the said Resolution at the Meeting and the amendment to the Stock Option Plan.

The amendment to the Stock Option Plan is also subject to approval by the TSXV. If approved by disinterested Shareholders and the TSXV, the amendment to the Stock Option Plan will be in force and Options previously granted under the Stock Option Plan will be deemed to have granted under the amended Stock Option Plan. In the event disinterested Shareholders do not approve such Resolution at the Meeting, the Stock Option Plan will remain in effect without the amendment, and all outstanding Options will remain subject thereto.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

Compensation discussion and analysis

Due to the Corporation's size, the Board of Directors has no compensation committee and has not adopted a formal compensation program. The Board of Directors meets to discuss and determine management compensation on an annual basis without reference to a formal formula.

Objectives of compensation program

The Board of Directors ensures that the total compensation paid to the executive officers is fair and reasonable, and accomplishes the following objectives:

- provide a market-competitive global compensation that will enable the Corporation to recruit, retain and motivate the executive talent necessary to be successful,
- encourage executive officers to achieve, and exceed, Corporation's goals and deliver superior performance,
- produce positive long-term results for the Corporation and the Shareholders.

Elements of compensation and purpose of payment

The executive compensation program consists of a combination of i) base salary, ii) performance bonus and iii) stock option incentives.

The base salary is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

The performance bonus is intended to encourage executive officers to achieve, and exceed, individual or business goals. It is also intended to reward superior performance or exceptional results.

Stock options are intended to establish a balance between short- and long-term compensation. It is also intended to align management's long-term interests with Shareholder's long-term interests and the corporate growth.

Determination of the amount of compensation

The base salary of the President, Chairman of the Board of Directors, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Executive Vice President are determined and approved by the Board of Directors. The determination of the base salary takes into consideration the current competitive market conditions, experience, assumed responsibilities and particular skills of the executive officer. The base salary is not currently evaluated against a formal "peer group". The Board of Directors relies on the general experience of its members in setting base salary amounts. Base salaries of executive officers other than the President, Chairman of the Board of Directors, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Executive Vice President are reviewed and determined annually by the management of the Corporation.

The performance bonus is determined annually according to criteria established by the Board of Directors. The determination of the performance bonus takes into consideration individual objectives and Corporation's objectives as well as the overall performance of the Corporation. The Board of Directors determines each year the applicable criteria to obtain a bonus according to the specific situation of the Corporation and its activities development. The Board of Directors may waive minimum requirements for the performance bonus when it evaluates those exceptional strategic transactions that could increase the long-term value of the Corporation are realized during the year or exceptional market conditions have occurred.

Stock options are generally granted to the executive officers when they are hired and annually thereafter. Stock options are awarded by the Board of Directors which determines which executive officers are entitled to receive stock options, the number of stock options granted, the date of grant and the exercise price. The granting of stock options is determined according to level of responsibility and authority of the executive officer as well as the performance observed compared to the established objectives. The Board of Directors takes also into account the specific circumstances existing on the date of the grant and the long-term interests of the Corporation and the Shareholders. The granting of stock options shall be executed in accordance with the terms of the Corporation's stock option plan (the "**Stock Option Plan**"). For further information regarding the Stock Option Plan, refer to the heading *Stock Option Plan*.

Elements of compensation and overall objectives

The elements of compensation allow the Corporation to meet its overall compensation objectives stipulated above (see paragraph *Objectives of compensation program*). Indeed, the base salary is intended, among other things, to attract and retain talented executive officers, the performance bonus encourages executive officers to achieve Corporation's goals and offer a superior performance, and the stock options has been designed to obtain long-term positive results for the Corporation and align executive compensation increase with the increase of Shareholders' investment.

The combination of the elements of compensation has been designed also to provide a total compensation which the Board of Directors believes is competitive with what is paid by other companies of comparable size engaged in similar business.

Stock Option Plan

The purpose of the Stock Option Plan is to allow the Corporation to retain and motivate directors, senior officers, management, employees, consultants and persons conducting investor relations activities (the "**Eligible Persons**"), to allow Eligible Persons chosen by the Board of Directors to receive Options granted pursuant to the Stock Option Plan for the purpose of purchasing Common Shares as a reward for their efforts in attaining the goals of the Corporation, to allow them to purchase Common Shares of the

Corporation as an investment and to encourage them to act in this manner. The Board of Directors is responsible for the administration of the Stock Option Plan.

The maximum aggregate number of Common Shares that may be issued pursuant to the Stock Option Plan is 25,284,189. Any Common Shares underlying Options that have expired without being exercised shall be subsequently available for other awards under the Stock Option Plan.

From time to time, the Board of Directors shall designate, at its discretion, the Eligible Persons, who are to be granted Options and the number of Options granted, subject to the following limitations:

a) the aggregate number of Common Shares underlying Options that may be issued pursuant to the Stock Option Plan to one person shall not, within a period of twelve (12) months, unless disinterested Shareholder approval is obtained in connection therewith, exceed 5% of the number of issued and outstanding Common Shares of the Corporation as of the date of the grant (on an undiluted basis);

b) the aggregate number of Common Shares underlying Options that may be issued pursuant to the Stock Option Plan in favour of any one consultant, within a period of twelve (12) months, shall not exceed 2% of the number of issued and outstanding Common Shares of the Corporation as of the date of the grant; and

c) the aggregate number of Common Shares underlying Options that may be issued pursuant to the Stock Option Plan in favour of any person conducting investor relation activities, within a period of twelve (12) months, shall not exceed 2% of the number of issued and outstanding Common Shares of the Corporation as of the date of the grant.

Each Option and all rights thereunder will expire on the date established by the Board of Directors at the time of the granting of the particular Option, provided that such date does not extend beyond the tenth (10th) anniversary of the date of grant. Each Option will be subject to the earlier termination provisions of the Stock Option Plan (such as early retirement, resignation or termination of employment). Among other things, under the Stock Option Plan, in the event of the death of a participant, the Options previously granted to such participant will be exercisable no later than on the earlier of (i) the expiry date of the Options, or (ii) twelve (12) months following the death of such participant.

Furthermore, the Board of Directors, subject to the policies of the TSXV, may determine and impose terms upon which each Option shall become vested in respect of Options granted. Unless otherwise specified by the Board of Directors at time of granting an Option, and subject to the other limits on Option grants set out by the Board of Directors in accordance with the Stock Option Plan, all Options granted under the Stock Option Plan shall vest in stages over twenty-four (24) months with no more than 33.33% of the Options vesting in any twelve month period, except Options granted to persons conducting investor relations activities, which Options may vest in stages over twelve (12) months with no more than 25% of the Options vesting in any three (3) month period, at the sole discretion of the Board of Directors.

No consideration shall be payable with respect to the granting of an Option. The exercise price of any Option granted under the Stock Option Plan is to be determined from time to time by the Board of Directors but in any event shall not be less than the market value of the Common Shares on the TSXV (or any other exchange where the Common Shares are then traded and if they are traded on more than one exchange, on the exchange where the greater volume of Common Shares is traded), subject to a minimum exercise price of $0.10 per Common Share.

Options may not be assigned or transferred and only the optionee or his or her personal representative may exercise an Option in the manner provided for in the Stock Option Plan.

The Stock Option Plan includes a blackout provision for periods referred to as "Blackout Periods". A Blackout Period is designed to prevent a person from trading while in possession of material information that is not yet available to other Shareholders. The TSXV recognizes these Blackout Periods might result in an unintended penalty to employees who are prohibited from exercising their Options during that period because of their corporation's internal trading policies. As a result, the TSXV provides a framework for extending Options that would otherwise expire during a Blackout Period. The Stock Option Plan includes a provision that should an Option expiration date fall within a Blackout Period, then the expiry date of such Option will be 10-business day period after the expiry of the Blackout Period.

The Stock Option Plan contains standard adjustment and anti-dilution provisions for changes in the capital structure of the Corporation. The Stock Option Plan also provides that in the event of a merger or a liquidation of the Corporation or a take-over bid, the Board of Directors may allow advanced exercise of Options subject to the limits imposed by the Stock Option Plan and the applicable rules of the TSXV.

The Board of Directors may from time to time, subject to the approval of the TSXV, amend the Stock Option Plan and the terms of any Options to be subsequently awarded and, without limiting the generality of the foregoing, may make such amendments in order to comply with changes to any laws or regulations applicable to the Stock Option Plan, to an Option or to the Common Shares, or for any other purpose permitted by law. However, such changes shall not prejudice any rights of any optionee under any Option or alter the terms of any Options awarded prior to the amendment. The approval of the disinterested Shareholders of the Corporation is required in order to reduce the exercise price of Options granted previously to insiders.

Summary executive officer compensation table

The following table, presented in accordance with Form 51-102F6 – *Statement of Executive Compensation – Venture Issuers* ("**Form 51-102F6**") of National Instrument 51-102, sets forth all annual and long-term compensation for services in all capacities to the Corporation for the three most recently completed financial years of the Corporation (to the extent required by Form 51-102F6) earned by each named executive officers of the Corporation ("**NEO**"). Form 51-102F6 defines NEO to mean each of the following individuals: (a) a CEO; (b) a CFO; (c) each of the three most highly compensated executive officers of the Corporation, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000 for that financial year; and (d) each individual who would be an NEO under (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

NEO Name and principal position	***Year*** [(1)]	***Salary/ Fee***	***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***			
		($)	***($)***	***($)***	***($)***	***($)***	***($)***	***($)***	***($)***
Marc Lemieux [(2)] President and CEO	2023 2022 2021	295,008 289,256 224,000	N/A N/A N/A	24,446 36,667 59,340	110,633 22,125 97,875	N/A N/A N/A	N/A N/A N/A	12,000 12,000 12,000	442,087 360,048 393,215
Luc Olivier [(3)] CFO	2023 2022 2021	234,300 N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	234,200 N/A N/A

NEO Name and principal position	Year (1)	Salary/ Fee	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			
		($)	($)	($)	($)	($)	($)	($)	($)
Isabelle Bégin (4)	2023 2022 2021	187,120 222,785 194,615	N/A N/A N/A	24,446 36,667 35,604	500,000 77,550 64,350	N/A N/A N/A	N/A N/A N/A	Nil Nil Nil	711,566 337,002 294,569
Jean-Pierre Robert (5)	2023 2022 2021	50,000 130,000 86,200	N/A N/A N/A	N/A 25,667 59,340	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	50,000 155,667 145,540
Pierre Monet (6)	2023 2022 2021	N/A 313,600 270,110	N/A 80,000 90,000	N/A N/A 59,340	N/A N/A 96,773	N/A N/A N/A	N/A N/A N/A	N/A 9,600 8,000	N/A 403,200 524,223

(1) Years 2022, 2021 and 2020 refers to the financial years ended July 31, 2022, July 31, 2021 and July 31, 2020 respectively.
(2) Mr. Lemieux was appointed as President and CEO of the Corporation on September 14, 2021 following the termination of the employment of Sylvain Duvernay as CEO of the Corporation on September 14, 2021,
(3) Mr. Olivier was appointed as CFO of the Corporation on October 17, 2022 and he left his position as CFO of the Corporation on August 31, 2023.
(4) Ms. Bégin left her position as Executive Vice President of the Corporation on June 27, 2023.
(5) Mr. Robert was appointed as COO of the Corporation on October 21, 2020 and he left his position as COO of the Corporation on April 27, 2022 to become a consultant of the Corporation.
(6) Mr. Monet was appointed as CFO of the Corporation on October 15, 2020 and the Corporation terminated his employment as CFO of the Corporation on July 28, 2022. Michael W. Kinley was appointed as interim CFO of the Corporation on July 28, 2022.

Management incentive plan awards

Outstanding share-based awards and option-based awards

The following table sets forth information relative to all share-based awards and option-based awards outstanding for each NEO at the end of the most recently completed financial year:

NEO Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options (1) ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Marc Lemieux (2) President and CEO	500,000 500,000 500,000 200,000	0.15 0.18 0.25 0.25	May 6, 2027 February 18, 2026 June 7, 2024 February 27, 2024	Nil Nil Nil Nil	N/A	N/A	N/A
Luc Olvier (3) CFO	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NEO Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	***Option exercise price ($)***	***Option expiration date***	***Value of unexercised in-the-money options [(1)] ($)***	***Number of shares or units of shares that have not vested (#)***	***Market or payout value of share-based awards that have not vested ($)***	***Market or payout value of vested share-based awards not paid out or distributed ($)***
Isabelle Bégin [(4)]	500,000 300,000 100,000 100,000	0.15 0.18 0.25 0.25	May 6, 2027 February 18, 2026 June 7, 2024 February 27, 2024	Nil Nil Nil Nil	N/A	N/A	N/A
Jean-Pierre Robert [(5)]	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Pierre Monet [(6)]	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the financial year ($0.11 on July 31, 2022) and the exercise or base price of the option.
(2) Mr. Lemieux was appointed as President and CEO of the Corporation on September 14, 2021 following the termination of the employment of Sylvain Duvernay as CEO of the Corporation on September 14, 2021,
(3) Mr. Olivier was appointed as CFO of the Corporation on October 17, 2022 and he left his position as CFO of the Corporation on August 31, 2023.
(4) Ms. Bégin left her position as Executive Vice President of the Corporation on June 27, 2023.
(5) Mr. Robert was appointed as COO of the Corporation on October 21, 2020 and he left his position as COO of the Corporation on April 27, 2022 to become a consultant of the Corporation.
(6) Mr. Monet was appointed as CFO of the Corporation on October 15, 2020 and the Corporation terminated his employment as CFO of the Corporation on July 28, 2022. Michael W. Kinley was appointed as interim CFO of the Corporation on July 28, 2022.

Incentive plan awards – Value vested or earned during the year

The following table presents information concerning value vested with respect to share-based awards, option-based awards and non-equity incentive plan compensation for each NEO for the most recently completed financial year:

NEO 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 ($)***
Marc Lemieux [(1)] President and CEO	24,446	N/A	110,633
Luc Olivier [(2)] CFO	N/A	N/A	N/A
Isabelle Bégin [(3)]	24,446	N/A	500,000
Jean-Pierre Robert [(4)]	N/A	N/A	N/A

NEO 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 ($)
Pierre Monet (5)	N/A	N/A	N/A

(1) Mr. Lemieux was appointed as President and CEO of the Corporation on September 14, 2021 following the termination of the employment of Sylvain Duvernay as CEO of the Corporation on September 14, 2021,

(2) Mr. Olivier was appointed as CFO of the Corporation on October 17, 2022 and he left his position as CFO of the Corporation on August 31, 2023.

(3) Ms. Bégin left her position as Executive Vice President of the Corporation on June 27, 2023.

(4) Mr. Robert was appointed as COO of the Corporation on October 21, 2020 and he left his position as COO of the Corporation on April 27, 2022 to become a consultant of the Corporation.

(5) Mr. Monet was appointed as CFO of the Corporation on October 15, 2020 and the Corporation terminated his employment as CFO of the Corporation on July 28, 2022. Michael W. Kinley was appointed as interim CFO of the Corporation on July 28, 2022.

Pension plan benefits

The Corporation does not have a defined benefits pension plan nor a defined contribution pension plan.

Termination and change of control benefits

The consulting agreement of Marc Lemieux provides that if the consulting agreement is terminated at any time without cause by the Corporation, then Mr. Lemieux shall be entitled to receive at the time of termination, an amount equal to the current consulting fees Mr. Lemieux ($295,000) would have been entitled to receive for a period of twelve (12) months payable in monthly instalments over a twelve (12) month period.

Also, the consulting agreement of Marc Lemieux provides that if the consulting agreement is terminated within sixty (60) days before or within one hundred and eighty (180) days after a Change in Control (as defined below) of the Corporation, then Mr. Lemieux shall be entitled to receive in a lump sum at the time of termination, an amount equal to the consulting fees Mr. Lemieux ($295,000) would have been entitled to receive for a period of twelve (12) months had the Change of Control not occurred.

A Change of Control is defined as follows:

(a) any change in the holding of the shares in the capital of the Corporation as a result of which an entity or group of entities acting jointly or in concert (whether by means of a shareholder agreement or otherwise) or entities associated or affiliated with any such entity or group within the meaning of the Canada Business Corporations Act, other than Mr. Lemieux and his respective associates becomes the owner, legal or beneficial, directly or indirectly, of fifty (50%) per cent or more of the shares in the capital of the Corporation or exercises control or direction over fifty (50%) per cent or more of the shares in the capital of the Corporation; or

(b) a sale, lease or other disposition of all or substantially all of the property or assets of the Corporation (other than to an affiliate which assumes all of the obligations of the Corporation to Mr. Lemieux including the assumption of the consulting agreement); or

(c) a reorganization, amalgamation or merger (or plan of arrangement in connection with any of the foregoing), not approved by the Board of Directors, other than solely involving the Corporation and one or more of its affiliates, with respect to which substantially all of the persons who were the beneficial owners of the shares in the capital of the Corporation immediately prior to such reorganization, amalgamation, merger or plan or arrangement do not, following any such event, beneficially own, directly or indirectly, more than fifty (50%) per cent of the aggregate voting power of all outstanding equity shares of the Corporation.

Director compensation

Director compensation table

The following table sets forth information with respect to all amounts of compensation provided to the directors who are not also NEO for the most recently completed financial year:

Director Name (1)	***Fees earned ($)***	***Share-based awards ($)***	***Option-based awards ($)***	***Non-equity incentive plan compensation ($)***	***Pension value ($)***	***All other compensation ($)***	***Total ($)***
Joshua Chandler (2)	Nil	N/A	Nil	N/A	N/A	Nil	Nil
Patrick Fernet	Nil	N/A	24,446	73,125	N/A	207,000 (3)	304,571
Michael W. Kinley	Nil	N/A	19,556	N/A	N/A	12,000 (4)	31,556
David Lampron (5)	Nil	N/A	Nil	N/A	N/A	Nil	Nil

(1) Relevant disclosure has been provided in the *Summary executive officer compensation table* section above with respect to directors who receive compensation for their services as directors and who are also NEO.
(2) Mr. Chandler resigned as director of the Corporation on June 28, 2023.
(3) In addition to the services rendered as a director, consulting fees for legal and other services rendered in the amount of $280,125 were invoiced from Global Impact Services g.p. which Patrick Fernet is an associate.
(4) In addition to the services rendered as a director, consulting fees for services rendered in the amount of $12,000 were invoiced from Winslow Associates Management & Communications Inc.
(5) Mr. Lampron resigned as director of the Corporation on June 28, 2023.

Director's outstanding share-based awards and option-based awards

The following table sets forth information relative to all share-based awards and option-based awards outstanding to the directors who are not also NEO at the end of the most recently completed financial year:

Director Name (1)	***Option-based Awards***				***Share-based Awards***		
	Number of securities underlying unexercised options (#)	***Option exercise price ($)***	***Option expiration date***	***Value of unexercised in-the-money options*** (2) ***($)***	***Number of shares or units of shares that have not vested (#)***	***Market or payout value of share-based awards that have not vested ($)***	***Market or payout value of vested share-based awards not paid out or distributed ($)***
Joshua Chandler (3)	Nil	N/A	N/A	Nil	N/A	N/A	N/A

Director Name (1)	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	***Option exercise price ($)***	***Option expiration date***	***Value of unexercised in-the-money options (2) ($)***	***Number of shares or units of shares that have not vested (#)***	***Market or payout value of share-based awards that have not vested ($)***	***Market or payout value of vested share-based awards not paid out or distributed ($)***
Patrick Fernet	500,000 500,000 500,000 100,000	0.15 0.18 0.25 0.25	May 6, 2027 February 18, 2026 June 7, 2024 February 27, 2024	Nil Nil Nil Nil	N/A	N/A	N/A
Michael W. Kinley	400,000 100,000 100,000 100,000	0.15 0.18 0.25 0.25	May 6, 2027 February 18, 2026 June 7, 2024 February 27, 2024	Nil Nil Nil Nil	N/A	N/A	N/A
David Lampron (4)	Nil	N/A	N/A	Nil	N/A	N/A	N/A

(1) Relevant disclosure has been provided in the *Management incentive plan awards* section above with respect to outstanding awards granted to directors who are also NEO.
(2) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the financial year ($0.11 on July 31, 2022) and the exercise or base price of the option.
(3) Mr. Chandler resigned as director of the Corporation on June 28, 2023.
(4) Mr. Lampron resigned as director of the Corporation on June 28, 2023.

Director's incentive plan awards – Value vested or earned during the year

The following table presents information concerning value vested with respect to share-based awards, option-based awards and non-equity incentive plan compensation to the directors who are not also NEO for the most recently completed financial year:

Director Name (1)	***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 ($)***
Joshua Chandler (2)	Nil	N/A	N/A
Patrick Fernet	24,446	N/A	73,125
Michael W. Kinley	19,556	N/A	N/A
David Lampron (3)	Nil	N/A	N/A

(1) Relevant disclosure has been provided in the *Management incentive plan awards* section above with respect to outstanding awards granted to directors who are also NEO.
(2) Mr. Chandler resigned as director of the Corporation on June 28, 2023.
(3) Mr. Lampron resigned as director of the Corporation on June 28, 2023.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Option Plan of the Corporation is the only compensation plan pursuant to which equity securities of the Corporation may be issued. It is described under heading *Compensation of Executive Officers and Directors / Stock Option Plan* above. The following table summarizes as of July 31, 2023 the number of Common Shares authorized for future issuance by the Stock Option Plan:

Plan category	***Number of securities to be issued upon exercise of outstanding Options (#)***	***Weighted-average exercise price of outstanding Options ($)***	***Number of securities remaining available for future issuance under Equity Compensation Plan (#)***
Stock Option Plan	12,525,000	0.19	12,659,189

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular, none of the directors, executive officers, employees (or previous directors, executive officers or employees of the Corporation), each proposed Nominee for election as a director of the Corporation was or is indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason pursuant to a loan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The management of the Corporation is not aware of any material interest, direct or indirect, that any director, Nominee, officer, Shareholder of the Corporation holding, directly or indirectly, as beneficial owner, more than 10% of the outstanding Common Shares of the Corporation or any associate or affiliate of any such persons would have in any material transaction concluded since the commencement of the most recently completed financial year of the Corporation or in any proposed transaction which had or could have a material effect on the Corporation or any of its subsidiaries, other than what is disclosed in this Circular.

CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101 – Disclosure of Corporate Governance Practices adopted by the Canadian Securities Administrators provides the disclosure of corporate governance practices. Such disclosure is described in Schedule “C” hereto.

OTHER BUSINESS AND MATTERS

Management is aware of no other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters which are known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons identified and named therein to vote on such matters in accordance with their best judgement.

ADDITIONAL INFORMATION

The Corporation’s financial information is included in its audited consolidated financial statements and management discussion and analysis for the fiscal year ended July 31, 2021. Copies of these documents and additional information concerning the Corporation can be found on the SEDAR+ website at www.sedarplus.ca and may also be obtained upon request to the Corporation, at its head office located at: 1351 Notre-Dame Street East, Suite 300, Thetford Mines, Québec, G6G 0G5 (telephone: 418-755-0821). The Corporation may require payment of a reasonable charge if a person or a corporation who is not a Shareholder of the Corporation makes the request.

APPROVAL OF CIRCULAR

The Board of Directors of the Corporation has approved the contents of this Circular and its sending to the Shareholders.

Thetford Mines, Québec, April 17, 2024

APPROVED BY THE BOARD OF DIRECTORS

(s) *Marc Lemieux*

Marc Lemieux, Chief Executive Officer

SCHEDULE “A”

RESOLUTIONS OF THE SHAREHOLDERS OF KDA GROUP INC.
(the “**Corporation**”)

NEW BY-LAW

WHEREAS the Corporation modified the by-law of the Corporation on June 29, 2016, in order to align such by-law with the provisions of an Investor Rights Agreement dated June 30, 2016, entered into between the Corporation and Persistence Capital Partners II, L.P. and Persistence Capital Partners II (International), L.P., (collectively “**PCP**”) in connection with a private placement concluded with PCP in 2016 (the “**PCP Private Placement**”;

WHEREAS the Corporation executed the complete full and total repayment, as of June 28, 2023, of its debts owed to PCP pursuant to the PCP Private Placement.

WHEREAS the Board of Directors of the Corporation estimates it is in the best interest of the Corporation to adopt a new by-Law and to repeal the current by-law adopted in 2016.

BE IT RESOLVED*:*

1. to approve, confirm and ratify the new by-law of the Corporation adopted by the Board of Directors of the Corporation as of June 28, 2023, copy of which is attached to form an integral part of this resolution as Schedule A-1; and

2. to authorize any director or officer of the Corporation, for and in the name of and on behalf of the Corporation, to sign, execute and deliver all other notices and documents and to do such other acts and things, as in the opinion of the person may be necessary or desirable to give effect to this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing.

SCHEDULE "A-1"

BY-LAW OF
KDA GROUP INC.

SCHEDULE "A-1"

BY-LAW OF KDA GROUP INC.

A. INTERPRETATION

1. DEFINITIONS

1.1. In this by-law of KDA Group inc. (the "**Corporation**''), unless the context otherwise requires, the following capitalized words and terms have the meaning attributed below to each of them:

a) **"Act"** means the *Business Corporations Act*, R.S.Q. c. S-31.1. Any reference to the Act in the by-law of the Corporation shall be construed as a reference to the provisions thereof as amended from time to time or replaced;

b) **"Affairs"** means the relations among the Corporation, its affiliates and the shareholders, directors and officers of such legal persons but does not include the business carried on by such legal persons;

c) **"Affiliate"** means legal persons, one of whom is a subsidiary of the other, or legal persons who are controlled by the same person;

d) **"Associate"**: an Associate of a person is (i) the person's spouse, children and relatives, and the children and relatives of the person's spouse; (ii) a partner of the person; (iii) a succession or trust in which the person has a substantial interest similar to that of a beneficiary or in respect of which the person serves as liquidator, trustee or other administrator of the property of others, mandatary or depositary, or (iv) a legal person of whom the person owns securities making up more than 10% of a class of shares carrying voting rights at any shareholders meeting or the right to receive any declared dividend or a share of the remaining property of the legal person in the event of liquidation;

e) **"Group"** means any group of persons or properties, including an organization, joint venture or trust;

f) **"Officer(s)"** means the president, any vice president, the chief executive officer, chief operating officer, chief financial officer, secretary, treasurer and any other person designated as an officer of the Corporation by a resolution of its board of directors;

g) **"Ordinary Resolution"** means a resolution that requires a majority of the votes cast at a shareholders meeting by the shareholders entitled to vote on the resolution, or a resolution that requires the signature of all such shareholders;

h) **"Reporting Issuer"** means a "reporting issuer" as defined in the *Securities Act*, R.S.Q., c. V-1.1.;

i) **"Shareholder"** means any holder of shares of the share capital of the Corporation who is registered in the securities register of the Corporation, including such holder's representative;

j) **"Special Resolution"** means a resolution that requires at least two thirds of the votes cast at a shareholders meeting by the shareholders entitled to vote on the resolution, or a resolution that requires the signature of all such shareholders;

2. INTERPRETIVE PROVISIONS

2.1. The singular number shall extend to more than one person or more than one thing of the same sort, whenever the context admits of such extension.

2.2. The plural number can apply to one person only or to one thing only if the context so permits.

2.3. The headings in this by-law form no part thereof but are inserted for convenience of reference only.

B. HEAD OFFICE, PLACES OF BUSINESS AND CORPORATE SEAL

3. HEAD OFFICE

3.1. The head office of the Corporation must always be located in Québec.

4. PLACES OF BUSINESS

4.1. In addition to its head office, the Corporation may have other establishments, places of business, offices or agencies, in Québec and elsewhere.

5. CORPORATE SEAL

5.1. The Corporation may adopt a corporate seal but is not obliged to. The absence of such a seal on any document of the Corporation does not render it null.

C. BOOKS AND RECORDS

6. MINUTE BOOK

6.1. The Corporation shall maintain, at its head office or any other location, a minute book containing:

a) its articles and other certificates and its by-law;
b) the minutes of all meetings of Shareholders, and each of their resolutions;
c) the name and domicile of each director and the date on which the latter's mandate began and ended; and
d) the securities register.

6.2. Any Shareholder may examine the minute book during the normal business hours of the Corporation and obtain extracts thereof free of charge.

6.3. A Shareholder may obtain, upon request and free of charge, a copy of the Corporation's articles and its by-law.

7. SECURITIES REGISTER

7.1. The securities register of the Corporation shall contain the following information concerning its shares:

a) the name, in alphabetical order, and the address of each person who holds or has held any such shares;
b) the number of shares held by such person;
c) the date and details of the issue or transfer of each share, and
d) the amount, if any, remaining unpaid on such share.

7.2. The securities register of the Corporation should be maintained and implemented by the transfer agent and registrar of the Corporation if such a transfer agent and registrar has been appointed.

8. ACCOUNTING RECORDS AND BOARD OF DIRECTORS MINUTE BOOK

8.1. The Corporation shall maintain accounting records (the "**Accounting Records**") and a book containing the minutes of the meetings of its board of directors and each of the board's resolutions (the "**Board's Minute Book**").

8.2. The Accounting Records and the Board's Minute Book shall be kept at the Corporation's head office or any other location designated by its board of directors.

8.3. The Corporation shall retain the Accounting Records for a period of six years following the end of the fiscal year to which they pertain.

8.4. Only the directors of the Corporation and the auditor of its accounts shall have access to the Accounting Records and the Board's Minute Book .

D. BOARD OF DIRECTORS

9. DUTIES AND POWERS

9.1. The board of directors shall manage the activities and Affairs of the Corporation or supervise the management thereof, and except to the extent otherwise provided by law, the exercise of such powers does not require the approval of the Shareholders.

9.2. In general, the board of directors exercises the powers and performs the acts that the Corporation is authorized to exercise and perform; it may also conclude any contract on behalf of the Corporation.

9.3. The board of directors may, on behalf of the Corporation:

a) borrow money;
b) issue, reissue, sell or hypothecate debt obligations of the Corporation;
c) enter into a suretyship to secure the performance of an obligation of any person; and
d) hypothecate all or any of its property, owned or subsequently acquired, to secure any obligation.

9.4. The board may, subject to the rights of third parties, overturn or modify the decisions of any committee of the board of directors.

10. DELEGATION OF POWERS

10.1. The powers of the board of directors may be delegated to a director, an Officer or one or more committees of the board.

10.2. The board of directors may not delegate its power:

a) to submit to the Shareholders any question or matter requiring their approval;
b) to fill a vacancy among the directors or in the office of auditor or to appoint additional directors;
c) to appoint the president of the Corporation, the chair of the board of directors, the chief executive officer, the chief operating officer or the chief financial officer, regardless of their title, and to fix their remuneration;
d) to authorize the issue of shares;
e) to approve the transfer of unpaid shares;
f) to declare dividends of any kind;
g) to acquire, including by purchase, redemption or exchange, shares issued by the Corporation;
h) to split, consolidate or convert shares;
i) to authorize the payment of a commission to a person who purchases shares or other securities of the Corporation, or procures or agrees to procure purchasers for those shares or securities;
j) to approve the financial statements presented at the annual meetings of Shareholders;
k) to adopt, amend or repeal the by-law;
l) to authorize calls for payment;
m) to authorize the confiscation of shares;
n) to approve articles of amendment allowing a class of unissued shares to be divided into series, and to determine the designation of and the rights and restrictions attaching to those shares; or
o) to approve a short-form amalgamation.

11. NUMBER

11.1. The number of directors is indicated in the articles, and if the articles provide for a minimum and maximum number of directors, the board of directors shall be composed of the fixed number of directors within such minimum and maximum numbers determined by a resolution of the board or, in the absence of such resolution, by a resolution of the shareholders.

11.2. The articles may be amended to increase or decrease the fixed number of directors or the minimum or maximum number of directors. The articles are deemed to be amended as of the date of the Special Resolution authorizing the amendment, and the Shareholders may, at the meeting at which they pass the resolution, elect the number of directors authorized by the resolution.

11.3. An amendment to the articles that decreases the number of directors does not terminate the term of any incumbent director.

11.4. If the articles of the Corporation so provide, the directors may appoint one or more additional directors to hold office for a term expiring not later than the close of the next annual Shareholders meeting, but the total number of directors so appointed may not exceed one third of the number of directors elected at the previous annual Shareholders meeting, the whole in accordance with section 153 of the Act.

12. QUALIFICATIONS

12.1. Subject to the articles, any natural person may be a director of the Corporation, except:

a) a minor;
b) a person of full age under tutorship or curatorship;
c) a bankrupt;
d) a person prohibited by a court, including a foreign court, from holding such office, or
e) a person declared incapable by a decision of a court of another jurisdiction.

12.2. Unless otherwise provided in the articles, a director is not required to be a Shareholder.

13. ELECTION AND DURATION OF MANDATE

13.1. The directors are elected by Ordinary Resolution each year at the annual Shareholders meeting.

13.2. Shareholders entitled to vote may also, between annual meetings, hold a special meeting to elect one or more additional directors, provided always that the total number of directors in office does not exceed the fixed or maximum number of directors provided for in the articles.

13.3. Directors remain in office until the next annual Shareholders meeting or until their replacements have been appointed, unless the Shareholders otherwise agree by Ordinary Resolution, subject to the limits specified in the Act.

13.4. Directors may appoint one or more directors in accordance with subsection 11.4 above and section 153 of the Act.

14. END OF MANDATE

14.1. The mandate of a director terminates upon his or her death, resignation, or removal from office, or upon being disqualified from being director of a corporation.

15. RESIGNATION

15.1. A director may resign from office at any time. Such resignation becomes effective when the director's written resignation is received by the Corporation or on the date specified therein, whichever is later. No reason for the resignation needs to be specified.

16. VACANCY

16.1. Unless the articles otherwise provide, a quorum of directors may fill a vacancy on the board, other than a vacancy due to failure to elect the fixed number or minimum number of directors required by the articles.

16.2. If there has been a failure to elect the fixed number or minimum number of directors required by the articles, the directors then in office must without delay call a special meeting of Shareholders to fill the vacancies on the board, and if the directors refuse or fail to call such a meeting or if there are no directors then in office, the meeting may be called by any Shareholder.

16.3. A director appointed or elected to fill a vacancy holds office for the unexpired term of his or her predecessor.

17. OUTGOING DIRECTOR AND UPDATING DECLARATION

17.1. A director who ceases to hold office is authorized to sign and file on behalf of the Corporation, pursuant to the *Act respecting the legal publicity of enterprises*, R.S.Q., c. P-44.1, as amended from time to time or replaced, an updating declaration specifying only such change, unless such director has received, within 30 days following the date on which such change look effect, proof that the Corporation filed such declaration with the enterprise registrar.

18. DUTIES OF DIRECTORS

18.1. Subject to the provisions of the Act, the directors are bound by the same obligations as are imposed by the *Civil Code of Québec*, as amended from time to time, on any director of a legal person. Consequently, in the exercise of their functions, the directors are duty-bound towards the Corporation to act with prudence and diligence, honesty, and loyalty and in the interest of the Corporation.

18.2. In particular, but without limiting the generality of the foregoing:

a) a director may not mingle the property of the Corporation with his or her own property or use for his or her own profit or that of a third person any property of the Corporation or any information he or she obtains by reason of his or her duties, unless he or she is authorized to do so by the Shareholders;

b) without having obtained the express authorization of the board of directors, a director must respect the confidentiality of the deliberations of the board, of any internal document and of any other information to which he or she has access in the exercise of his or her functions that is not of public knowledge and has not been publicly disclosed by the Corporation;

c) a director shall avoid placing himself or herself in any situation where his or her personal interest would be in conflict with his or her obligations as a director of the Corporation, and

d) a director must declare to the Corporation any interest he or she has in an enterprise or association that may place him or her in a situation of conflict of interest and of any right he or she may set up against the Corporation, indicating their nature and value, where applicable.

19. CONTRACTS AND TRANSACTIONS - DISCLOSURE OF INTEREST

19.1. A director must disclose the nature and value of any interest he or she has in a contract or transaction to which the Corporation is a party. For the purposes hereof, ''interest" means any financial stake in a contract or transaction that may reasonably be considered likely to influence decision-making, and a proposed contract or transaction, including related negotiations, is considered a contract or transaction.

19.2. A director must also disclose any contract or transaction to which the Corporation and any of the following are a party:

a) an Associate of the director;
b) a Group of which he or she is a director or officer;
c) a Group in which the director or an Associate of the director has an interest.

19.3. A director satisfies the foregoing requirement if he or she discloses, in a case specified in paragraph 19.2 (b), the directorship or office held within the Group or, in a case specified in paragraph 19.2 (c), the nature and value of the interest he or she or his or her Associate has in the Group.

19.4. Unless it is recorded in the minutes of the first meeting of the board of directors at which the contract or transaction is discussed, the disclosure of an interest, contract or transaction must be made in writing to the board as soon as the director becomes aware of the interest, contract or transaction. Such disclosure must be made even in the case of a contract or transaction that does not require approval by the board.

20. <u>CONTRACTS AND TRANSACTIONS – VOTING</u>

20.1. The director concerned may not vote on a resolution to approve, amend or terminate a contract or transaction described in the foregoing section 19 or be present during deliberations concerning the approval, amendment or termination of same unless the contract or transaction:

a) relates primarily to the remuneration of the director or an Associate of the director as a director of the Corporation or an Affiliate of the Corporation;
b) relates primarily to the remuneration of the director or an Associate of the director as an officer, employee or mandatary of the Corporation or an Affiliate of the Corporation, if the Corporation is not a Reporting Issuer;
c) is for the indemnification of directors under certain circumstances or for insurance covering their liability taken out by the Corporation, or
d) is with an Affiliate of the Corporation, and the sole interest of the director is as a director or officer of the Affiliate.

20.2. If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present during deliberations, the other directors present are deemed to constitute a quorum for the purpose of voting on the resolution.

20.3. If all the directors are required to abstain from voting, the contract or transaction may be approved solely by the Shareholders entitled to vote, by ordinary resolution. Disclosure of the reason for the directors' abstention must be made to the Shareholders in a sufficiently clear manner before the contract or transaction is approved.

21. <u>REMUNERATION</u>

21.1. The board of directors determines, from time to time, the remuneration of the directors.

21.2. The board of directors may, by resolution, individually remunerate a director who performs a specific or additional mandate on behalf of the Corporation.

21.3. Directors are entitled to be reimbursed for travel expenses and all other costs and expenses reasonably incurred in performing their duties.

E. MEETINGS OF THE BOARD OF DIRECTORS

22. <u>PLACE</u>

22.1. Meetings of the board of directors are held at the head office of the Corporation or any other place, in Québec or elsewhere, determined by the board of directors or its chair.

23. NOTICE OF MEETING

23.1. Meetings of the board are held as often as the chair or any two directors deem necessary.

23.2. Meetings of the board are called by the chair or any two directors, or by any director or officer at the request of the chair or any two directors, upon at least two days' notice, except as provided below.

23.3. The notice must state the time and place of the meeting and specify any matter to be dealt with relating to the non-delegable powers listed in section 10.2.

23.4. The notice must be sent to each director at his or her last known address, by any means permitting proof of date of delivery.

23.5. A meeting of the board may be held without notice if all directors are present or at least a quorum is present and those absent have agreed to the holding of such meeting.

23.6. The meeting of the board that immediately follows the annual Shareholders meeting may be held without notice.

24. WAIVER OF NOTICE

24.1. A director may waive notice of a meeting of the board, in writing, before or after the meeting.

24.2. Attendance of a director at a meeting of the board is a waiver of notice of the meeting unless the director attends the meeting for the sole purpose of objecting to the holding of the meeting on the ground that it was not lawfully called.

25. PARTICIPATION BY TELECOMMUNICATION

25.1. A director may participate in a meeting of the board by means of equipment enabling all participants to communicate directly with one another. Such director is deemed to be present at the meeting.

26. ATTENDANCE AT MEETINGS

26.1. Only directors of the Corporation are entitled to attend meetings of the board. Other persons whose presence may be required may only attend if authorized to do so by the chair of the meeting or the majority of directors present thereat.

27. QUORUM

27.1. A majority of the directors in office constitutes a quorum at any meeting of the board.

27.2. A quorum of directors may exercise all the powers of the directors despite any vacancy on the board.

27.3. A quorum must be maintained throughout the meeting.

27.4. If the necessary quorum for a vote on a resolution to approve a contract or transaction cannot be reached solely because a director is not permitted to be present during deliberations thereon pursuant to section 127 of the Act, the other directors present are deemed to constitute such quorum.

28. CHAIR AND SECRETARY OF MEETING

28.1. Meetings of the board are presided over by the chair.

28.2. The secretary acts as secretary of the meetings of the board.

28.3. The directors present at a meeting may appoint another person as chair or secretary of the meeting of the board.

29. PROCEDURE

29.1. The chair presides over the meeting of the board and ensures that it proceeds in an orderly fashion.

29.2. The chair submits to the board all matters to be resolved. A director may also submit matters for discussion, and the agenda for the meeting shall include a period during which directors may submit such matters for discussion.

29.3. Should the chair fail to adequately preside over the meeting, the directors may at any time remove such person as chair and designate another director as chair of the meeting.

30. VOTING

30.1. Every question submitted to the board shall be decided by a majority of votes cast at the meeting.

30.2. Each director is entitled to cast one vote.

30.3. Voting is conducted by a show of hands unless a ballot is demanded, before or after such show of hands, by the chair or any director present.

30.4. If the voting is conducted by ballot, the secretary shall act as scrutineer and count and register the votes.

30.5. Voting by proxy is not permitted.

30.6. The chair of the meeting has no deciding vote in the event of a tie.

31. DISSENT

31.1. A director who is present at a meeting of the board or a committee of the board is deemed to have consented to any resolution passed at the meeting unless:

a) the director's dissent has been entered in the minutes;
b) the director sends a written dissent to the secretary of the meeting before the meeting is adjourned; or
c) the director delivers a written dissent to the chair of the board, sends it to the chair by any means providing proof of the date of receipt or delivers it to the head office of the Corporation immediately after the meeting is adjourned.

31.2. A director is not entitled to dissent after voting for or consenting to a resolution.

32. DISSENT OF DIRECTOR NOT PRESENT

32.1. A director who was not present at a meeting at which a resolution was passed is deemed to have consented to the resolution unless the director records his or her dissent within seven days after becoming aware of the resolution and sends it to the chair by any means providing proof of the date of receipt or delivers it to the head office of the Corporation.

33. ADJOURNMENT

33.1. The chair of a meeting of the board or any committee thereof may, with the consent of the majority of the directors present, adjourn the meeting to another date, time and place without any notice thereof being required. Such chair may also peremptorily adjourn the meeting if he or she deems it impossible to conduct it in an orderly manner.

33.2. An adjourned meeting is validly resumed if held on the date and at the time and place previously announced, provided a quorum is present. In the absence of a quorum, the initial meeting is deemed to have ended upon its adjournment.

34. SIGNED RESOLUTION

34.1. A resolution in writing, signed by all the directors entitled to vote on the resolution, has the same force as if it had been passed at a meeting of the board or, as the case may be, a committee of the board. If the Corporation has only one director, he or she may pass a resolution in lieu of holding a meeting. A copy of the resolution must be kept with the minutes of meetings of the board and its committees.

35. RECORDING OF DELIBERATIONS

35.1. Only the person acting as secretary of a meeting is authorized to record the deliberations of the board, for the purposes of drafting the minutes of the meeting. A director who records such deliberations without being authorized to do so may be expelled from the meeting and the recorded medium may be confiscated.

F. OFFICERS

36. OFFICERS OF THE CORPORATION

36.1. The Officers of the Corporation are president, vice president, chief executive officer, chief operating officer, chief financial officer, secretary, treasurer and any other office designated by a resolution of the board of directors.

37. QUALIFICATIONS

37.1. An Officer need not be a director or Shareholder of the Corporation.

37.2. The same person may, as an Officer, hold more than one office.

38. DURATION OF MANDATE

38.1. Unless the board of directors otherwise specifies at the time of his or her appointment, an Officer remains in office as of his or her appointment until the first meeting of the board of directors following the annual Shareholders meeting.

39. END OF MANDATE

39.1. An Officer may resign at any time from any office he or she holds. Such resignation becomes effective on the date the Corporation receives written notice of same or the date indicated therein, if later. Unless there is a written agreement to the contrary, the board of directors may dismiss any Officer.

39.2. The dismissal of an Officer, like the appointment thereof, is the prerogative of the board of directors, and may be done at any time, without any reason having to be given therefore.

40. VACANCY

40.1. The board of directors may fill a vacancy among the Officers at any time.

41. POWERS OF AN OFFICER

41.1. An Officer exercises the powers inherent in his or her office, as well as any further powers, other than those listed in section 10.2 above, delegated to such Officer by the board of directors.

41.2. In the event of an Officer's incapacity, the powers thereof shall be exercised by the president, or any other person designated by the board.

42. DUTIES OF AN OFFICER

42.1. The Officers are mandataries of the Corporation. As such, in the exercise of their functions, they are duty-bound towards the Corporation to act with prudence and diligence, honesty and loyalty, and in the interest of the Corporation.

42.2. An Officer must disclose the nature and value of any interest he or she has in a contract or transaction to which the Corporation is a party. An Officer must also disclose any contract or transaction to which the Corporation and any of the following are a party:

a) an Associate of the Officer;
b) a Group of which the Officer is a director or officer;
c) a Group in which the Officer or an Associate of the Officer has an interest.

42.3. An Officer satisfies the foregoing requirement if he or she discloses, in a case specified in paragraph 42.2 (b), the directorship or office held within the Group or, in a case specified in paragraph 42.2 (c), the nature and value of the interest he or she or his or her Associate has in the Group.

42.4. An Officer, who is not a director, must make such disclosure:

a) upon his or her appointment;
b) upon learning that the contract or transaction has been or will be discussed at a meeting of the board of directors, or
c) upon he or she, or his or her Associate, acquiring an interest in a contract or transaction that has already been concluded.

42.5. Such disclosure must be made even in the case of a contract or transaction that does not require approval by the board of directors.

43. <u>PRESIDENT</u>

43.1. The president:

a) supervises and controls the activities and Affairs of the Corporation.
b) unless he or she is not a director, chairs the meetings of the board of directors and its committees, as well as meetings of the Shareholders.
c) signs the minutes, the share certificates and other documents requiring his or her signature.

44. <u>VICE PRESIDENT</u>

44.1. The vice president, if any, exercises the powers and assumes the obligations of the president in the event of the latter's absence or inability to act.

45. <u>SECRETARY</u>

45.1. The secretary, unless another person has been appointed to perform such actions:

a) has custody of the Corporation's books, records and documents;
b) acts as secretary of meetings of the board of directors and its committees, and meetings of the Shareholders;
c) signs the minutes and may sign share certificates;
d) sends notices of meetings and other required notices to the directors and Shareholders; and
e) performs the mandates given him or her by the president or the board of directors.

46. <u>ASSISTANT SECRETARY</u>

46.1. The assistant secretary, if any:

a) assists the secretary in keeping, updating and safeguarding the Corporation's books, records and documents.
b) may exercise the powers of the secretary and performs the mandates given him or her by the president or the board of directors.

47. <u>TREASURER</u>

47.1. The treasurer, if any:

a) is responsible for the financial management of the Corporation;
b) monitors the financial situation of the Corporation;
c) supervises the management of the property of the Corporation and the keeping of its accounts; and
d) signs any documents requiring his or her signature.

48. <u>REMUNERATION</u>

48.1. The board of directors determines, from time to time, the remuneration of the Officers.

48.2. The board of directors may, by resolution, individually remunerate an Officer who performs a specific or additional mandate on behalf of the Corporation.

48.3. Officers are entitled to be reimbursed for travel expenses and all other costs and expenses reasonably incurred in performing their duties.

G. COMMITTEES OF THE BOARD OF DIRECTORS

49. CONSTITUTION

49.1. The board of directors may, by resolution, create one or more committees made up of directors.

50. POWERS

50.1. A committee of the board of directors exercises the powers delegated to it by the board.

50.2. The board may not delegate to any such committee the powers that the board must, pursuant to the Act, exercise exclusively, including without limitation those listed in section 10.2 above.

50.3. Any such committee shall report on its activities to the board of director.

50.4. The board may, subject to the rights of third parties, overturn or modify the decisions of such committee.

51. END OF MANDATE

51.1. A director may resign at any time from being a member of a committee of the board of directors. Such resignation becomes effective when the director's written resignation is received by the Corporation or on the date specified therein, whichever is later. No reason for the resignation need be specified.

51.2. The board of directors may, by resolution, dismiss any member of a committee of the board.

52. VACANCY

52.1. The board of directors may fill any vacancy on a committee of the board.

53. MEETINGS

53.1. Meetings of a committee of the board of directors are convened in the same way as meetings of the board.

54. QUORUM

54.1. Unless otherwise provided in a resolution of the board of directors, a majority of the members of a committee of the board constitute the quorum required for holding a meeting of the committee.

55. CHAIR AND SECRETARY

55.1. Meetings of a committee of the board of directors are presided over by the chair of the board, if he or she is a member thereof. Otherwise, or in the chair's absence, the members present choose a chair of the meeting from among themselves.

55.2. The secretary of the Corporation is ex officio the secretary of any committee of which he or she is a member. Otherwise, or in his or her absence, the members present choose a secretary of the meeting from among themselves.

56. PROCEDURE

56.1. Meetings of a committee of the board of directors are conducted in the same manner as meetings of the board.

57. REMUNERATION

57.1. The members of a committee of the board of directors may, for serving in such capacity, receive remuneration determined by a resolution of the board.

H. OTHER COMMITTEES

58. CONSTITUTION

58.1. The board of directors may, whenever it deems necessary, create any other committee composed of directors or other persons and such a committee has a consultative role only.

58.2. Unless otherwise provided in a resolution of the board of directors, each such committee determines how it shall operate.

I. INDEMNIFICATION AND LIABILITY INSURANCE

59. INDEMNIFICATION

59.1. Subject to the provisions below, the Corporation must indemnify a director or Officer of the Corporation, a former director or Officer of the Corporation, a mandatary, or any other person who acts or acted at the Corporation's request as a director or officer of another Group, against all costs, charges and expenses reasonably incurred in the exercise of their functions, including an amount paid to settle an action or satisfy a judgment, or arising from any investigative or other proceeding in which the person is involved if:

a) the person acted with honesty and loyalty in the interest of the Corporation or, as the case may be, in the interest of the other Group for which the person acted as director or officer or in a similar capacity at the Corporation's request, and

b) in the case of a proceeding that is enforced by a monetary penalty, the person had reasonable grounds for believing that his or her conduct was lawful.

59.2. The Corporation must also advance monies to such a person for the costs, charges and expenses of such a proceeding.

59.3. However, in the event that a court or other competent authority decides that the conditions set out in paragraph 59.1 (a) and paragraph 59.1 (b) above are not fulfilled, the Corporation may not indemnify the person and the person must repay to the Corporation any monies already advanced. Moreover, the Corporation cannot indemnify such person in the event that the court or other authority finds that he or she committed an intentional or gross fault. In that event, the person must repay to the Corporation any monies already advanced.

60. ACTIONS BY OR ON BEHALF OF THE CORPORATION

60.1. The Corporation may, with the approval of the court, in respect of an action by or on behalf of the Corporation or other Group referred to in section 59.1 against a person referred to in that section, advance the necessary monies to the person or indemnify the person against all costs, charges and expenses reasonably incurred by the person in connection with the action, if the person fulfills the conditions set out in that by-law.

61. LIABILITY INSURANCE

61.1. The Corporation may purchase and maintain insurance for the benefit of its directors, Officers, and other mandataries against any liability they may incur as such or in their capacity as directors, Officers or mandataries of another Group, if they act or acted in that capacity at the Corporation's request.

J. SHAREHOLDERS MEETINGS

62. GENERAL RULES

62.1. The Corporation must hold an annual Shareholders meeting.

62.2. If necessary, the Corporation may also hold one or more special meetings of Shareholders.

62.3. Unless otherwise specified, the rules set forth herein apply to all meetings of Shareholders.

63. ANNUAL MEETING

63.1. An annual Shareholders meeting must be held no later than 18 months after the Corporation is constituted and, subsequently, no later than 15 months after the last preceding annual Shareholders meeting.

63.2. During an annual meeting, the following matters are dealt with:

a) presentation and examination of the Corporation's financial statements for the fiscal year ended no more than six months prior to the date of such meeting;
b) presentation and examination of any other financial information whose presentation is required by the articles or the by-law;
c) presentation of the auditor's report, if any;
d) renewal of the auditor's mandate, if any, and
e) election of the directors whose mandate has ended or is about to end.

63.3. The annual meeting may also consider, deal with and dispose of any other matter.

63.4. The board of directors calls the annual Shareholders meeting. Otherwise, the meeting may be called by the Shareholders themselves, in accordance with the rules for calling special meetings of Shareholders set forth below.

63.5. Unless the Shareholders otherwise resolve at a meeting called by the Shareholders, the Corporation must reimburse the Shareholders for the expenses reasonably incurred by them in requisitioning, calling and holding the meeting.

64. SPECIAL MEETINGS

64.1. The board of directors may call a special meeting of Shareholders at any time.

64.2. The holders of not less than 10% of the issued and outstanding shares that carry the right to vote at the Shareholders meeting sought to be held may requisition the board of directors to call a Shareholders meeting for the purposes stated in the requisition.

64.3. The requisition, signed by at least one Shareholder, must state the business to be transacted at the meeting and must be sent to each director and to the head office of the Corporation.

64.4. Upon receipt of the request, the board of directors shall call a Shareholders meeting to transact the business stated in the requisition and if the board does not call such a meeting within 21 days after receiving the requisition, any Shareholder who signed the requisition may call the meeting.

64.5. No special meeting may be called:

a) to discuss business in respect of which a Shareholders meeting has already been called;
b) to transact business that is not within the powers of the Shareholders;
c) to enforce a personal claim or redress a personal grievance against the Corporation or its directors, Officers or Shareholders;
d) to transact business that does not relate in a significant way to the business or Affairs of the Corporation;
e) to discuss a matter or business that has been submitted to and rejected by the Shareholders within the year preceding the requisition.

65. PLACE

65.1. Meeting of Shareholders may be held at any place in Québec designated by the board of directors.

65.2. Meeting of Shareholders may also be held outside of Québec if the articles permit it, or if all Shareholders entitled to vote at the meeting consent thereto.

66. CALLING OF MEETING

66.1. Notice of the meeting must be sent to each Shareholder entitled to vote thereat and to each director not less than 21 days and not more than 60 days before the meeting.

66.2. If a director or a Shareholder entitled to vote at the meeting gives written notice not less than 10 days before the annual meeting to the auditor or a former auditor of the Corporation, the auditor or former auditor shall attend such meeting at the Corporation's expense and answer any question relating to their duties as auditor.

67. NOTICE OF MEETING

67.1. Notice of the meeting must be sent to all persons entitled to receive same, at the address indicated in the Corporation's books and records, by any means providing proof of the date of receipt. If the address of such a person is not indicated in the Corporation's books and records, the notice is to be sent to the address where, in the opinion of the sender of the notice, it is likely to be most expeditiously delivered to such person.

67.2. Notice of the meeting is to be sent to all Shareholders registered in the securities register of the Corporation on the date the notice is sent or at a date of record to be determined in accordance with section 169 of the Act by the transfer agent, if such transfer agent has been appointed.

67.3. A certificate signed by the secretary, or any other duly authorized Officer of the Corporation, constitutes proof that the notice was sent.

67.4. The notice of the meeting must specify the time and place of the meeting as well as the business to be transacted. It must also specify the time, not exceeding 48 hours, excluding Saturdays and Holidays, preceding the meeting or the resumption of a meeting after an adjournment, before which the Corporation must receive the proxies of the Shareholders who wish to be represented at the meeting.

67.5. Business usually discussed at Shareholders meetings, such as the examination of the financial statements and the auditor's report, the renewal of the auditor's term and the election of directors, need not be included on the agenda.

67.6. Any irregularities in the notice or in its sending have no effect on the validity of the meeting. Likewise, an accidental omission to send the notice to a person entitled to receive it, or non-receipt of the notice by such a person, does not nullify the resolutions adopted at the meeting. Furthermore, the accidental omission from the notice of any item of business to be dealt with at the meeting does not prevent the meeting from dealing with such item, unless the interests of a Shareholder or director would or could be affected thereby.

68. WAIVER OF NOTICE

68.1. A Shareholder or director may waive notice of a Shareholders meeting.

68.2. Attendance of a Shareholder at the meeting is a waiver of notice of the meeting unless he or she attends the meeting for the sole purpose of objecting to the holding of the meeting on the grounds that it was not lawfully called or held.

69. HOLDING OR PARTICIPATING IN A MEETING BY TELECOMMUNICATION

69.1. A Shareholders meeting may be held solely by means of equipment enabling all participants to communicate directly with one another.

69.2. Moreover, any person entitled to attend a Shareholders meeting may participate in the meeting by means of any equipment enabling all participants to communicate directly with one another. A person participating in a meeting by such means is deemed to be present at the meeting.

69.3. Any Shareholder participating in a Shareholders meeting by means of equipment enabling all participants to communicate directly with one another may vote by any means enabling votes to be cast in a way that allows them to be verified afterwards and protects the secrecy of the vote when a ballot has been requested.

70. QUORUM

70.1. A quorum of Shareholders is present at a Shareholders meeting if, at the opening of the meeting, one or more Shareholders holding at least an aggregate of 10% of the shares that carry the right to vote at the meeting are present in person or represented by proxy.

70.2. The Shareholders present or represented by proxy may deal with the business to be transacted at the meeting, even where a quorum is not maintained throughout the meeting.

70.3. If a quorum is not present at the opening of the meeting, the Shareholders present may adjourn the meeting to a specific time and place but may not transact any other business.

71. CHAIR AND SECRETARY OF THE MEETING

71.1. Shareholders meetings are presided over by the president of the Corporation or, in the latter's absence, by a vice president, if any.

71.2. Unless another person has been appointed to perform such action, the secretary of the Corporation acts as secretary of the meeting.

71.3. If one or the other of the aforementioned persons is not present within 15 minutes after the time appointed for the meeting, the Shareholders present shall choose one of their number to chair the meeting.

72. PROCEDURE

72.1. The chair conducts the meeting and ensures that it proceeds in an orderly fashion.

72.2. The chair's decisions, including those on the validity of proxies, are final and binding on all Shareholders.

72.3. The chair of the meeting must allow Shareholders to raise and discuss, for a reasonable period of time, any matter whose primary purpose relates to the business or Affairs of the Corporation and is not to enforce a personal claim or redress a personal grievance against the Corporation or its directors, Officers or Shareholders.

72.4. At any Shareholders meeting, unless a vote is demanded, a declaration by the chair of the meeting that a resolution of the Shareholders has been carried and that an entry to that effect has been made in the minutes of the meeting is, in the absence of any evidence to the contrary, proof of that fact, without it being necessary to prove the number or proportion of the votes recorded for and against the resolution.

72.5. Should the chair of the meeting fail to conduct it as aforesaid, the Shareholders present may dismiss the chair and replace him or her with one of their number.

73. VOTING RIGHTS

73.1. Unless the articles otherwise provide, a Shareholder present at a meeting and entitled to vote thereat may cast one vote per share held by such Shareholder.

74. MAJORITY DECISION

74.1. Unless otherwise provided in the Act, the articles or the by-law, decisions at Shareholders meetings are made by an Ordinary Resolution adopted during the meeting by the Shareholders entitled to vote on the resolution.

75. NO DECIDING VOTE

75.1. In the event of a tie, the chair of the meeting is not entitled to cast a deciding vote.

76. **VOTING**

76.1. Voting shall be by show of hands, by voice vote or by ballot.

77. **VOTE BY SHOW OF HANDS**

77.1. Unless a voice vote or ballot is requested, votes shall be taken by a show of hands.

77.2. In such a case, the Shareholders and any proxies shall vote by raising their hands, and the number of votes shall be calculated in accordance with the number of raised bands.

77.3. A proxyholder who has conflicting instructions from more than one Shareholder may not vote by a show of hands.

78. **VOICE VOTE**

78.1. The chair of the meeting, a Shareholder or a proxyholder may request a voice vote, provided a ballot has not been requested.

78.2. In such a case, each Shareholder or proxyholder shall verbally declare his or her name and that of each Shareholder for whom he or she holds a proxy, the number of votes he or she has and the manner in which he or she shall cast such votes.

79. **VOTE BY SECRET BALLOT**

79.1. If the chairman of the meeting so orders or a Shareholder or proxyholder so requests, the vote shall be taken by ballot, in the manner indicated by the chair.

79.2. Each Shareholder or proxyholder shall remit to the scrutineers one or more ballots, on which he or she has entered his or her name and, as the case may be, the name of the Shareholder he or she represents, the number of votes he or she has and the manner in which he or she has cast such votes.

79.3. A vote by ballot may be requested before or after a vote by show of hands. Such a request may be withdrawn at any time before voting begins. Where voting is to be by ballot, the meeting shall appoint two persons to act as scrutineers.

80. **VOTE BY TELECOMMUNICATION**

80.1. A vote may be held by any means of communication made available by the Corporation and in the manner determined by the transfer agent, if such transfer agent has been appointed.

80.2. A Shareholder participating in a meeting by means of equipment enabling all participants to communicate directly with one another may vote by any means enabling votes to be cast in a way that allows them to be verified afterwards and protects the secrecy of the vote when a ballot has been requested.

81. **VOTE OF A LEGAL PERSON**

81.1. A natural person authorized by a resolution of the board of directors or by the management of a Shareholder who is a legal person, or a Group may participate in and vote at a Shareholders meeting.

82. **VOTE OF AN ADMINISTRATOR OF PROPERTY OF OTHERS**

82.1. A person acting for a Shareholder as administrator of the property of others may participate in and vote at a Shareholders meeting.

83. **VOTE OF JOINT SHAREHOLDERS**

83.1. If two or more persons hold shares jointly, one of those Shareholders present may, in the absence of the other(s), exercise the voting rights attached to those shares.

83.2. If two or more of such Shareholders are present at the meeting, they must vote as one.

84. **PROXIES**

84.1. A Shareholder may be represented at a Shareholders meeting by a proxyholder.

84.2. A shareholder so represented is deemed to be present at the meeting.

84.3. Any person, whether or not a Shareholder, may be appointed a proxyholder. A proxyholder has the same rights as the Shareholder represented to speak at the meeting in respect of any matter and to vote at the meeting.

84.4. A proxy must be in writing and signed by the Shareholder. In addition to the date, the proxy must include the name of the proxyholder and, if applicable, revoke any previous proxy.

84.5. The proxy may include voting instructions, which the proxyholder is bound to follow. The signature on the proxy need not be witnessed.

84.6. Unless otherwise provided therein, the proxy shall cease to be valid after the expiration of one year from the date thereof. A proxy may be revoked at any time.

84.7. A proxy may be in the following form:

> "I the undersigned shareholder of (the "Corporation"), hereby appoint or, failing him [or her], as my proxy with full power and authority to attend, vote and otherwise act on my behalf at the annual [or special] meeting of shareholders of the Corporation to be held at on the ________________ day of ________________________ and any adjournment thereof. I hereby revoke any previous proxy for such meeting.
>
> Signed at, this day of .
>
> ______________________________________
>
> [Shareholder's signature]

84.8. A proxy may be submitted to the secretary of the Corporation or any other person authorized by it.

84.9. A proxy signed mechanically or sent by any means of communication permitting proof of the date of receipt thereof, or in the manner determined by the transfer agent, if such transfer agent has been appointed, is valid.

85. **<u>KEEPING OF BALLOTS AND PROXIES</u>**

85.1. The Corporation must, for at least three months after a Shareholders meeting, keep at its head office the ballots cast and the proxies presented at the meeting.

85.2. Any Shareholder or proxyholder who was entitled to vote at the meeting may, without charge, inspect the ballots and proxies kept by the Corporation.

86. **<u>ADJOURNMENT</u>**

86.1. The chair of the meeting may, with the consent of the Shareholders present or represented thereat, adjourn any Shareholders meeting. The chair may also, at his or her own initiative, adjourn the meeting if, in the chair's opinion, it is impossible to conduct it in an orderly fashion.

86.2. If the meeting is adjourned for less than 30 days, it is not necessary to give notice of the adjourned meeting other than by an announcement at the meeting. If the meeting is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting must be given as for an original meeting.

86.3. An adjourned meeting is validly resumed if held on the date and at the time and place previously announced, provided a quorum is present. In the absence of a quorum, the initial meeting is deemed to have ended upon its adjournment.

87. **<u>SIGNED RESOLUTION</u>**

87.1. A resolution in writing signed by all the Shareholders entitled to vote on the resolution is as valid as if it had been passed at a Shareholders meeting.

87.2. The resolution must be kept in the book containing the minutes of Shareholders meetings and their resolutions.

K. SHARES AND CERTIFICATES

88. ISSUE AND ALLOTMENT OF SHARES

88.1. Subject to any pre-emptive right of the Shareholders, shares may be issued at the times, to the persons, including the directors and Officers of the Corporation, and for the consideration the board of directors determines.

88.2. In exercising this power, the board may, by resolution, accept subscriptions, issue and allot unissued shares, and grant exchange rights, options or acquisition rights in respect of such shares.

89. PAYMENT FOR SHARES

89.1. Shares of the Corporation may be issued whether or not they are fully paid.

89.2. Shares may only be considered paid if consideration equal to the issue price determined by the board of directors has been paid to the Corporation.

89.3. Consideration for shares issued by the Corporation is payable in money, or in property or past services determined by the board of directors to be the fair equivalent of the money consideration, considering all the circumstances.

89.4. A promissory note or a promise to pay made by a person to whom shares are issued, or a person who does not deal at arm's length, within the meaning of that expression in the *Taxation Act* (R.S.Q., c. 1-3), as amended from time to time or replaced, with a person to whom shares are issued does not constitute consideration for the shares.

90. SHARES WITH OR WITHOUT CERTIFICATES

90.1. A share issued by the Corporation may be a certificated share or an uncertificated share.

90.2. A certificated share is represented by a paper certificate in registered form, and an uncertificated share is represented by an entry in the securities register in the name of the Shareholder or by any other means used by the transfer agent and registrar of the Corporation.

91. SHARES WITH CERTIFICATES

91.1. In the case of certificated shares, the Corporation must issue to the Shareholder, without charge, a certificate in registered form.

91.2. The Corporation is not required to issue more than one certificate for shares held jointly by two or more persons.

91.3. The board of directors adopts, by resolution, the form of the certificate.

91.4. The certificate must:

a) set out the name of the Corporation;
b) state that the Corporation was constituted under or is governed by the Act, as the case may be;
c) indicate the number of shares it represents and their par value, if any;
d) state, if applicable, that the shares are not fully paid;
e) state that there are rights and restrictions attaching to the class or series of the shares it represents and that the Corporation will, on request, provide the text of those rights and restrictions to the Shareholder without charge;
f) state, if applicable, that the shares are encumbered with rights in favour of the Corporation; and
g) state any transfer restrictions imposed on the shares by the Corporation.

91.5. The share certificates of the Corporation must be signed by the president or secretary or by a person acting on their behalf. The signature may be affixed by an automatic device or electronic process.

91.6. In the absence of any evidence to the contrary, the certificate is proof of the Shareholder's title to the shares represented by the certificate.

91.7. Even if the Corporation has adopted a seal, such seal need not be affixed to its share certificates.

92. <u>SHARES WITHOUT CERTIFICATES</u>

92.1. Subject to the Act, a registered holder of shares may have his holdings of shares of the Corporation evidenced by an electronic, book-entry, direct registration service or other non-certified entry or position on the register of shareholders to be kept by the Corporation in place of a share certificate pursuant to a registration system that may be adopted by the Corporation, in conjunction with its registrar and transfer agent.

92.2. This by-law shall be read such that a registered holder of shares of the Corporation pursuant to any such electronic, book-entry, direct registration service or other non-certificated entry or position shall be entitled to all of the same benefits, rights, entitlements and shall incur the same duties and obligations as a registered holder of shares evidenced by a share certificate.

92.3. The Corporation and its registrar and transfer agent may adopt such policies and procedures and require such documents and evidence as they may determine necessary or desirable in order to facilitate the adoption and maintenance of a security registration system by electronic, book-entry, direct registration system or other non-certificated means.

93. <u>LOST, STOLEN OR DESTROYED CERTIFICATES</u>

93.1. The Corporation must, upon request, issue a new share certificate to any Shareholder if the latter claims that the original certificate has been lost, wrongfully taken or destroyed, provided the following conditions are met:

a) the Shareholder so requests before the Corporation has notice that the lost, wrongfully taken or allegedly destroyed certificate has been delivered to a protected purchaser within the meaning of the *Act respecting the transfer of securities and the establishment of security entitlements*, R.S.Q. c. T11.002, as amended from time to time or replaced;

b) the Shareholder provides security sufficient in the Corporation's judgment to protect the Corporation from any loss that it may suffer by issuing a new certificate; and

c) the Shareholder satisfies any other reasonable requirements imposed by the Corporation.

94. <u>UNPAID SHARES</u>

94.1. Unless the terms of payment for shares are determined by contract, the board of directors may call for payment of all or part of the unpaid amounts on shares subscribed or held by the Shareholders.

94.2. A call for payment is deemed to be made on the day the board passes a resolution providing for it. Notice of the call for payment stating the amount due and the time for payment must be sent to the Shareholders.

94.3. If a Shareholder does not make the required payment following a call for payment, the board of directors may, without further formality, confiscate the shares for which payment has not been made. The confiscation is recorded in the securities register.

94.4. The board of directors may transfer the shares so confiscated to a new acquirer, register their transfer and, if applicable, cancel the certificates therefore, whether or not the Shareholder has returned the endorsed certificates to the Corporation, and issue a new certificate to the acquirer.

94.5. If the terms of payment for shares are determined by contract, the board of directors may, after sending a demand letter, confiscate the shares without further formality if the Shareholder who subscribed for or acquired them has failed to comply with the terms.

94.6. If the acquirer is not bound by a contract with the Corporation with respect to payment for the shares, the provisions relating to a call for payment apply to the acquirer.

94.7. Within 10 days after disposing of the confiscated shares, the Corporation must inform the Shareholder of the proceeds obtained from the disposition and remit any surplus to the Shareholder. The Shareholder is liable for the unpaid balance on the shares if the proceeds of disposition do not cover the amounts payable.

94.8. A Shareholder who is in arrears with respect to a call for payment or has defaulted on payment of shares in accordance with the contract between the Shareholder and the Corporation may not vote at any Shareholder meeting.

94.9. The unpaid amounts on shares held by a Shareholder who exercises the right of redemption provided for in sections 372 and following of the Act become payable as of the time the Shareholder sends the Corporation the notice specified in section 376 of the Act.

95. **<u>TRANSFER OF SHARES</u>**

95.1. The Corporation shall keep at its head office a securities register containing, inter alia, the date and details of the transfer of each share of its share capital, unless the Corporation has appointed a transfer agent and registrar.

95.2. The board of directors shall confer upon the secretary or any other Officer of the Corporation the duty to maintain the securities register and update it as required.

95.3. The transfer of any share of the Corporation' s share capital is governed by the *Act respecting the transfer of securities and the establishment of security entitlements*, R.S.Q. c. T-11.002, as amended from time to time or replaced.

95.4. The transfer of a share shall be registered upon receipt of the endorsed certificate representing same accompanied by a request for registration of the transfer or, in the case of an uncertificated share, upon receipt of instructions to register the transfer of such share, provided the following conditions are met:

a) the purchaser has satisfied the conditions for the registration of the transfer in the purchaser's name that are applicable to such share;
b) the endorsement or instruction is made by the appropriate person or by that person's representative;
c) reasonable assurance is given the Corporation that the endorsement or instruction is neither forget nor counterfeited and is authorized;
d) any applicable fiscal law that imposes duties on the Corporation at the time of the transfer has been complied with;
e) the transfer does not violate any restriction on transfer imposed by the Corporation that is enforceable against the purchaser or imposed by law; and
f) the transfer is rightful or is to a protected purchaser within the meaning of the *Act respecting the transfer of securities and the establishment of security entitlements*, R.S.Q. c. T-11.002, as amended from time to time or replaced.

95.5. Shares that are not fully paid but for which no instalment is payable may only be transferred with the authorization of the board of directors. The directors must reasonably verify the acquirer's ability to pay for the shares before authorizing the transfer.

95.6. A share may not be transferred until ail instalments payable up to the time of transfer have been fully paid.

95.7. All obligations and responsibilities of the Corporation under this section 95, regarding the transfer of shares shall be performed by or in conjunction with the transfer agent and registrar of the Corporation when a transfer agent and registrar has been appointed by the Corporation.

L. DIVIDENDS

96. DECLARATION AND PAYMENT OF DIVIDEND

96.1. Unless otherwise provided in the articles, the board of directors may declare and the Corporation may pay a dividend either in money or property or by issuing fully paid shares or options or rights to acquire paid shares of the Corporation.

96.2. If shares of the Corporation are issued in payment of a dividend, the Corporation may add the value of those shares to the appropriate issued and paid-up share capital account.

96.3. The Corporation may not declare and pay a dividend, except by issuing shares or options or rights to acquire shares, if there are reasonable grounds for believing that the Corporation is, or would after the payment be, unable to pay its liabilities as they become due.

96.4. The Corporation may deduct from the dividends payable to a Shareholder any amount due to the Corporation by the Shareholder, on account of calls for payment or otherwise.

M. FISCAL YEAR, AUDITOR AND PROFESSIONAL ACCOUNTANT

97. FISCAL YEAR

97.1. The fiscal year of the Corporation ends on the date fixed by a resolution of the board of directors.

98. AUDITOR

98.1. The Shareholders appoint by Ordinary Resolution an auditor at each annual Shareholders meeting.

98.2. The term of the auditor begins on appointment.

98.3. The auditor's remuneration is fixed by Ordinary Resolution of the Shareholders at the time of appointment. If it is not fixed at that time, it is fixed by the board of directors.

98.4. The auditor may, as part of the auditing mandate, demand any information relating to the Corporation, its subsidiaries and any other legal person whose accounts are consolidated in the financial statements of the Corporation, and demand access to any of their books, records, accounts, files or other documents. The present and former directors, Officers, employees or mandataries of the Corporation must, on request, communicate the documents to and facilitate their examination by the auditor. The board of directors of the Corporation must obtain from the present or former directors, Officers, employees or mandataries of a subsidiary of the Corporation the information demanded by the auditor and make it available to the auditor.

98.5. The term of the auditor ends when the auditor's successor is appointed, unless it is terminated earlier by the auditor's death, resignation or removal, or the auditor's becoming bankrupt or being placed under protective supervision.

98.6. The auditor's resignation becomes effective on the date a written resignation is sent to the Corporation, or on the date specified in the resignation, whichever is later.

98.7. The Shareholders may, by Ordinary Resolution at a special meeting, remove the auditor from office. They may appoint a new auditor by Ordinary Resolution at the same meeting subject to the provisions of the Investor Rights Agreement.

98.8. Subject to the Shareholders' right to fill the vacancy after removing an auditor, the board of directors shall fill a vacancy in the office of auditor without delay for the unexpired term, the whole in accordance with the term of the Investor Rights Agreement. If there is no quorum on the board of directors, the directors must, within 21 days after a vacancy in the office of auditor occurs, call a special Shareholders meeting to fill the vacancy. If the directors fail to call a meeting or if there are no directors, the Shareholders meeting may be called by any Shareholder at the Corporation's expense.

N. NOTICES

99. <u>SHARES REGISTERED IN THE NAME OF MORE THAN ONE PERSON (JOINT SHAREHOLDERS)</u>

99.1. Where a share of the share capital of the Corporation is held by more than one Shareholder, any notice or other document pertaining to such share shall be sent to the first such Shareholder registered in the securities register. Such notice or document is then deemed to have been sent to each other such Shareholder.

100. <u>REGISTERED SHAREHOLDER</u>

100.1. Before due presentation for registration of the transfer of a certificated share or receipt of instructions to register the transfer of an uncertificated share, the Corporation or its transfer agent may treat the registered Shareholder as the sole person entitled to receive notices or other documents pertaining to such share.

101. <u>ADDRESS OF SHAREHOLDER</u>

101.1. Each Shareholder must inform the Corporation or its transfer agent of the address to which notices or documents that concern such Shareholder are to be sent.

101.2. In the event of a change of address, the Shareholder must inform the Corporation thereof.

102. <u>SIGNING OF NOTICES</u>

102.1. Any notice sent by the Corporation must be signed by a director, an Officer, or any other authorized person. The signature may be affixed by an automatic device or by electronic means.

103. <u>CALCULATION OF TIME PERIODS</u>

103.1. Unless otherwise provided in this by-law, in calculating any time period fixed by the articles or the by-law:

a) the day on which the period begins is not counted, but the day on which it ends is counted;
b) non-juridical days (as defined in the *Code of Civil Procedure*, R.S.Q. c. C25) are counted, but when the last day is a non-juridical day, the time limit is extended to the next following juridical day, and
c) Saturday is considered a non-juridical day.

O. OTHER PROVISIONS

104. <u>RECORD DATE</u>

104.1. The transfer agent, if such transfer agent is appointed, may determine and fix in advance a record date for determining shareholders entitled to receive notice of a shareholders meeting, to receive payment of a dividend, participate in a liquidation distribution and vote at a shareholders meeting or for any other purpose in accordance of section 169 of the Act.

105. <u>DECLARATIONS TO THE ENTERPRISE REGISTER</u>

105.1. A director, an Officer or any other authorized person shall sign any declaration that must be filed by the Corporation with the enterprise registrar pursuant to the *Act respecting the legal publicity of enterprises*, R.S.Q. c. P-44, as amended from time to time or replaced.

106. <u>CONFLICT WITH ARTICLES</u>

106.1. In the event of a conflict, the provisions of the articles of the Corporation prevail over the provisions of its by-law.

107. <u>BY-LAW</u>

107.1. Unless otherwise provided in the articles, the board of directors adopts the Corporation's by-law.

107.2. The by-law is effective as of the date of the resolution of the board. The by-law must be submitted to the Shareholders for approval at the next Shareholders meeting, and the Shareholders may, by ordinary resolution, ratify, reject, or amend it. It ceases to be effective at the close of the meeting if it is rejected by or not submitted to the Shareholders. However, by-law amendments relating to procedural matters with respect to Shareholders meetings take effect only once it has received Shareholder approval.

107.3. The rules of this by-law apply, with the necessary modifications, to the amendment or repeal of by-law.

107.4. Any by-law made by the board of directors that has substantially the same purpose or effect as a by-law previously rejected by or not submitted to the Shareholders at the aforesaid meeting is not effective until confirmed by the Shareholders.

Amendments and effective date:

This by-law as amended is effective as of the date of the resolution of the board of directors of the Corporation adopting the amendments, that is on June 28, 2023. As a result, the general by-law of the Corporation is in force as amended and modified since June 28, 2023. These amendments shall not affect any past application of the general by-law. If the amendments of this by-law are not ratified by the shareholders during the next annual or special meetings of shareholders, it will cease to apply, but only from this date and the general by-law of the Corporation in force before June 28, 2023 will continue to apply.

SCHEDULE “B”

ORDINARY RESOLUTION OF THE SHAREHOLDERS OF KDA GROUP INC.
(the “**Corporation**”)

AMENDMENT OF THE STOCK OPTION PLAN

WHEREAS the Corporation intends to increase the number of shares underlying options that can be set aside for the purpose of issuance of options under the stock option plan of the Corporation (the “**Stock Option Plan**”) and update the terms of the Stock Option Plan;

BE IT RESOLVED*:*

1. to authorize the Corporation to amend the Stock Option Plan in order to increase the maximum number of Class A shares of the Corporation issuable pursuant to the exercise of options under the Stock Option Plan by 9,795,667 Class A Shares from 25,284,189 to 35,079,856 and modify subsection 3.2 of the Stock Option Plan accordingly and modify the terms and conditions of the Stock Option Plan in order to update them;

2. to approve, confirm and ratify the Stock Option Plan as amended, a copy of which is attached to form an integral part of this resolution as Schedule B-1; and

3. to authorize any director or officer of the Corporation, for and in the name of and on behalf of the Corporation, to sign, execute and deliver all other notices and documents and to do such other acts and things, as in the opinion of the person may be necessary or desirable to give effect to this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing.

SCHEDULE "B-1"

KDA GROUP INC.
STOCK OPTION PLAN
AS AMENDED ON MAY 16, 2024

SECTION 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless otherwise required by the context or subject matter, the following terms, as used hereunder, have the meanings set forth below.

a) ***Blackout Period*** means any period during which a policy of the Corporation prevents an Optionee from exercising an Option.

b) ***Board of Directors*** means the Board of Directors of the Corporation.

c) ***Business Day*** means a day of the week other than a Saturday, Sunday or a legal holiday recognized as such either in the Province of Québec.

d) ***Corporation*** means KDA Group Inc.

e) ***Consultant*** means an individual or Consultant Corporation, other than an Employee or a Director of the Corporation, that:

   a. is engaged to provide on a ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its subsidiaries, other than services provided in relation to a distribution of securities;

   b. provides the services under a written contract between the Corporation or any of its subsidiaries and the individual or the Consultant Corporation; and

   c. 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 any of its subsidiaries.

f) ***Consultant Corporation*** means a Consultant that is a corporation.

g) ***Date of Grant*** means the date on which the Board of Directors grants a particular Option in favour of an individual.

h) ***Director*** means a director, senior officer and Management Corporation Employee of the Corporation or a director, senior officer and Management Corporation Employee of the Corporation's subsidiaries.

i) ***Employee*** means:

   a. an individual who is considered an employee of the Corporation or its subsidiary under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);

   b. an individual who works full-time for the Corporation or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; or

   c. an individual who works for the Corporation or its subsidiary on a continuing and regular basis for a minimum amount of time per week of 14 hours providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source.

j) ***Exchange*** means the TSX Venture Exchange.

k) ***Exercise Notice*** means the notice regarding the exercise of an Option, as worded in Schedule B annexed hereto, duly executed by the Optionee.

l) ***Exercise Period*** means the period during which a particular Option may be exercised. This period runs, subject to the restrictions set forth herein, from the Date of Grant inclusively, provided that all of the regulatory approvals have been obtained, up to and including the Expiry Date.

m) ***Exercise Price*** means the price at which an Option may be exercised, as established pursuant to sub-section 3.6 hereof.

n) ***Expiry Date*** means the date established pursuant to sub-section 3.4 hereof and after which a particular Option cannot be exercised.

o) ***Insider*** means, when used in connection with the Corporation:

    a. a director or officer of the Corporation;

    b. a director or officer of a corporation that is an insider or subsidiary of the Corporation;

    c. a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all of the outstanding voting shares of the Corporation; or

    d. the Corporation itself, if it holds any of its own capital stock

p) ***Investor Relations Activities*** means all activities conducted for the benefit of the Corporation which are deemed to be Investor Relations Activities by the Exchange in accordance with its policies, with the exception of any activities excluded pursuant to such policies.

q) ***Management Corporation Employee*** means an individual employed by a Person providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a Person engaged in Investor Relations activities.

r) ***Market Value*** means the closing price of the Shares sold in the last regular lot traded on the Exchange (or any other exchange where the Shares are then traded, and if they are traded on more than one exchange, on the exchange where the greater volume of Shares is traded) on the trading day immediately preceding the Date of Grant during which a regular lot of Shares has been traded on such exchange. If no regular lot is traded on such date, the Market Value shall then be equal to the price of the Shares sold in the last regular lot on the nearest trading day preceding the Date of Grant during which a regular lot has been traded.

s) ***Option Certificate*** means the certificate representing an Option, the wording of which is essentially similar to the wording of Schedule A annexed hereto.

t) ***Option*** or ***Options*** means, as the case may be, one or several Options granted pursuant to the Plan for the purpose of purchasing Shares.

u) ***Optionee*** means an Director, Employee, Consultant or Person conducting Investor Relations Activities, or former Directors, Employees, Consultants or Persons conducting Investor Relations Activities holding unexercised and unexpired Options or, as the case may be, their Personal Representatives.

v) ***Person*** means a corporation or individual.

w) ***Personal Representative*** means (i) in the case of a deceased Optionee, the liquidator of the succession or the court administrator of the deceased duly appointed by a court or a public body duly authorized with respect thereto; and (ii) in the case of an Optionee who, for any reason whatsoever, is incapable of managing his or her affairs, the person legally authorized to act on behalf of such Optionee.

x) ***Plan*** means this Stock Option Plan.

y) ***Share*** or ***Shares*** means, as the case may be, one or several common shares in the share capital of the Corporation.

z) ***Vested*** means that an Option has become exercisable in respect of a number of Option by the Optionee pursuant to the terms of the Option Certificate.

1.2 Governing Law

The Plan is established pursuant to the laws in effect in the Province of Québec and the policies of the Exchange, and its provisions shall be interpreted pursuant to such laws and policies.

1.3 Headings

The headings herein are for the convenience of the reader and shall in no way affect the interpretation of the text of the Plan.

SECTION 2 PURPOSE AND PARTICIPATION

2.1 Purpose

The Plan was designed to allow the Corporation to retain and motivate Directors, Employees, Consultants and Persons conducting Investor Relations Activities, to allow persons chosen by the Board of Directors to receive Options pursuant to the Plan as a reward for their efforts in attaining the goals of the Corporation and to allow them to purchase Shares as an investment, and to encourage them to act in this manner.

2.2 Participation

From time to time, the Board of Directors shall designate, at its discretion, the Directors, Employees, Consultants and Persons conducting Investor Relations Activities, as the case may be, who are to be granted Options and shall establish the number of Shares with respect to which each Option may be exercised and shall grant the Options based on these decisions. The granting of an Option in favour of a Director, Employee, Consultant or Person conducting Investor Relations Activities shall not, at any time, entitle or prevent any such person from receiving additional Options thereafter, the whole in accordance with the restrictions set forth in this Plan. In the case of Options granted to Employees, Consultants or Management Corporation Employees, the Corporation and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee, Consultant or Management Corporation Employee, as the case may be.

2.3 Notice of Grants

After the Board of Directors shall have approved the granting of an Option, the Chairman or another Person designated for such purpose shall give a written notice of the grant to the Optionee and shall include therewith the Option Certificate representing the Option thus granted.

2.4 Copies of the Text of the Plan

With the notice sent with the initial granting of an Option, each Optionee shall be provided with two copies of the text of the Plan and within 10 days following the receipt of these copies, such Optionee shall sign one of the copies and return it to the Board of Directors. The Board of Directors shall promptly provide each Optionee with two copies of any amendment to the Plan and within 10 days thereof, such Optionee shall sign a copy of the amendment and return it to the Board of Directors.

2.5 Limitations

The Plan does not grant the Optionee any rights as a shareholder of the Corporation with respect to the Shares underlying the Options before such time as the Optionee has exercised his or her Options or a part thereof and before he or she is registered as a shareholder of the Corporation. All decisions regarding the granting of Options shall be made at the sole discretion of the Board of Directors. The Plan shall in no way hinder, limit, force, restrict or prevent the Board of Directors with respect to the granting or the issuance of Shares or any other securities of the Corporation, except as specified in the Plan.

SECTION 3 TERMS AND CONDITIONS OF THE OPTIONS

3.1 Issuance of Shares by the Board of Directors

The Shares to be issued to Optionees upon the exercise of the Options must be authorized by the Board of Directors.

3.2 Number of Shares

The aggregate number of Shares underlying Options that can thus be set aside for purposes of issuance to any Person under the Plan shall not exceed 35,079,856. Any Shares underlying Options that have expired without being exercised shall be subsequently available for other awards under the Plan. The Board of Directors shall determine from time to time the number of Shares available, subject to the aforesaid maximum number.

3.3 Restrictions Regarding Stock Option Grants to Consultants

The aggregate number of Shares underlying Options that may be issued pursuant to the Plan in favour of any one Consultant, within a period of twelve (12) months, shall not exceed 2% of the the number of issued and outstanding Shares as of the date of the grant. The maximum number of Shares underlying Options that may be issued pursuant to the Plan in favour of all Persons conducting Investor Relations Activities, within a period of twelve (12) months, shall not exceed 2% of the number of issued and outstanding Shares as of the date of the grant.

3.4 Term of Options & Blackout Periods

(a) Subject to sub-sections 3.5 and 6.3, the Expiry Date of an Option shall be the date established by the Board of Directors at the time of the granting of the particular Option, provided that such date does not extend beyond the tenth (10th) anniversary of the Date of Grant of the Option.

(b) If the Expiry Date of an Option occurs during a Blackout Period, then the Expiry Date of such Option will be ten (10) Business Days after the expiry of the Blackout Period.

3.5 Termination of Options

Optionees may exercise an Option in whole or in part, at any time or from time to time during the Exercise Period, provided that with respect to the exercise of a part of an Option, the Board of Directors shall be entitled, at any time and from time to time, to establish the maximum number of Shares with respect to which an Optionee may exercise a part of the Option held by such Optionee, subject to the restrictions imposed pursuant hereto. Options that have not been exercised during the Exercise Period shall terminate and shall become null and void on the day following the Expiry Date. The Expiry Date of an Option shall correspond to the earliest of either of the following dates, namely the date established by the Board of Directors at the time of the granting of the Option under sub-section 3.4, or the date established pursuant to paragraphs (a) to (e) hereinafter:

(a) *Death* – Upon the death of an Optionee who is an Employee, Director, Consultant or Person conducting Investor Relations Activities, any Options granted to such person or the remainder thereof may be exercised by his Personal Representative. Options must be exercised no later than on the earlier of (i) the Expiry Date of the Options, or (ii) twelve (12) months following the death of the Optionee.

(b) *Early Retirement, Resignation or Termination of Employment* – Upon the early retirement, resignation or termination of employment of a Director or if a Director ceases to hold office for reasons other than death or cause, the Expiry Date of any Option held by the Director shall be the earliest of (i) the Expiry Date of the Option, or (ii) a date that is determined in accordance with the following table:

Term with the Corporation	Expiry Date
Less than 1 year	30 days following the date the Director ceased to hold office
1 to 3 years	60 days following the date the Director ceased to hold office
3 to 5 years	90 days following the date the Director ceased to hold office
More than 5 years	180 days following the date the Director ceased to hold office

In the case of an Employee, who is not a Director, the Expiry Date of an Option held by such Employee shall be the earliest of the Expiry Date of the Option, or a date that is 30 days following the effective date of the early retirement, resignation or termination.

Any Options not exercised after the dates mentioned in paragraphs (a) and (b) hereinabove shall be null and void.

Notwithstanding the foregoing, the Board of Directors may, at its discretion, by means of a prior notice sent to an Optionee or his or her Personal Representative, allow an Option, or part of an Option, to remain valid and in effect, for a longer period, subject to the restrictions imposed by the policies of the Exchange.

(c) *Termination of Employment for Cause* – If the employment of an Optionee is terminated for cause, the Expiry Date of an Option shall be the date upon which the Corporation or any of its subsidiaries gave the Optionee a notice of the termination of his or her employment.

(d) *Termination of Contract or Relationship* – In the case of a Consultant or a Person conducting Investor Relation Activities, the Expiry Date of an Option held by such Person shall be the earliest of the Expiry Date of the Option, or a date that is 30 days following the effective date of the termination of contract or relationship. However, notwithstanding the aforesaid, the Expiry Date of an Option granted to such Person shall be the contractual termination date if the termination is caused by i) a failure by such Person to comply with the terms and conditions of the applicable contract or relationship, ii) such Person commits fraud, any criminal offence or willful misconduct towards the Corporation or any of its subsidiaries or iii) such Person seeks protection under the bankruptcy laws, makes an assignment for the benefit of creditors or proceedings are instituted by or against such Person under any law relative of insolvency.

(e) *Discretion of the Board of Directors* – The Board of Directors may, at any time or from time to time, with the consent of an Optionee and, subject to the approval of the Exchange, accelerate or postpone the Expiry Date of an Option or of any part of an Option held by the Optionee if the Board of Directors establishes, at its discretion, that this measure is warranted under the circumstances and provided that the Expiry Date of the Option does not extend beyond the tenth anniversary of the Date of Grant, the whole subject to sub-section 6.2.

3.6 Exercise Price

(a) No consideration shall be payable with respect to the granting of an Option. A consideration shall be payable pursuant to paragraph 3.6 (b) hereunder.

(b) At the time of the granting of an Option, the Board of Directors shall establish the price at which an Optionee may purchase a Share upon the exercise of his or her Option, which price shall not be less than the Market Value, subject to a minimum Exercise Price of $0.10 per Share.

3.7 Assignment of Options

Options may not be assigned or transferred. However, to the extent provided for pursuant to sub-section 4.1, the Personal Representative of an Optionee may exercise Options during the Exercise Period.

3.8 Adjustments

Prior to the exercise in full of an Option, if a stock dividend is paid with respect to the Shares or if the Shares are consolidated, subdivided, converted, exchanged or redesignated, or if they are in any way replaced (collectively designated herein as an "**Event**"), the Option, to the extent that it has not been exercised, shall entitle the Optionee, upon its exercise pursuant to its terms and conditions, to the number and type of Shares, other stock or assets that the holder would have been entitled to receive as a result of the Event as if such Optionee were the owner of the Shares subject to the unexercised part of the Option at the time the Event occurred, and the Exercise Price of the Option shall be the same as if the Shares initially subject to the Option had been purchased pursuant hereto. No fractional Shares shall be issued upon the exercise of the Options and if an Optionee is entitled to a fraction of a Share as a result of an Event, then such Optionee shall only be entitled to purchase the nearest lower full number of Shares and no payment or any other adjustment shall be made with respect to the fractional participation that is not taken into account. If an Event occurs, the number of Shares that the Board of Directors has authorized under sub-section 3.2 shall be adjusted accordingly.

3.9 Hold Period and Resale Restrictions

In addition to any resale restrictions which may be imposed by applicable securities legislation, the Options granted to Insiders and Consultants, and the Shares which shall be issued following the exercise of such Options, shall be subject to a four (4) month hold period commencing on the Date of Grant.

3.10 Press Release

Following the grant of Option to Insiders and to Persons providing Investor Relations Activities, the Corporation shall issue a press release announcing the grant and the terms and conditions of the Options as required under the policies of the Exchange.

SECTION 4 EXERCISE OF OPTIONS

4.1 Exercise of Options

Only the Optionee or his or her Personal Representative may exercise an Option. Subject to sub-section 4.2, an Optionee or his or her Personal Representative may exercise an Option in whole or in part, at any time or from time to time during the Exercise Period, by giving the Board of Directors an Exercise Notice, the applicable Option Certificate and a cheque payable to the Corporation in an amount equal to the aggregate Exercise Price of the Shares that are being purchased as a result of the exercise of the Option.

4.2 Issuance of Shares

As soon as practical after the receipt of the Exercise Notice, the Board of Directors shall ensure that a certificate for the Shares thus purchased be delivered to the Optionee. If the number of Shares thus purchased is less than the number of Shares represented by the Option Certificate that is surrendered, the Board of Directors shall make a note thereon indicating the number of Shares with respect to which the Option was exercised and shall return such Option Certificate to the Optionee at the same time as the Share certificate mentioned hereinabove.

4.3 Conditions of the Issuance

The issuance of Shares by the Corporation as a result of the exercise of an Option shall be subject to the laws, rules and regulations of all the authorities and public bodies applicable with respect to the issuance and the distribution of Shares and to the requirements regarding the registration of the Shares on any exchange where such Shares may be registered. The Optionee agrees to comply with all of these laws, rules and regulations, to provide the Corporation with the information, reports and covenants necessary in order to comply with such laws, rules and regulations and to fully collaborate with the Corporation with respect to such compliance.

4.4 Vesting of Options

The Board of Directors, subject to the policies of the Exchange, may determine and impose terms upon which each Option shall become Vested in respect of Options granted. Unless otherwise specified by the Board of Directors at time of granting an Option, and subject to the other limits on Option grants set out in Section 3 hereof, all Options granted under the Plan shall vest in stages over twenty-four (24) months with no more than 33.33% of the Options vesting in any twelve month period, except Options granted to persons conducting Investor Relations Activities, which Options may vest in stages over twelve (12) months with no more than 25% of the Options vesting in any three (3) month period, at the sole discretion of the Board of Directors.

4.5 Taxes

Optionees shall be responsible for any tax that may be imposed either directly or indirectly on the Optionee or the Corporation (or any of its subsidiaries, as the case may be, in respect of the Optionee) as a result of the grant of an Option or in respect of the benefit inuring to the Optionee in respect of any Option. The Corporation (or, as the case may be, the subsidiary of the Corporation) that is liable to pay or withhold any such tax may, to the extent permitted by the law under which any such tax is imposed, recover from the Optionee in respect of whom the tax is imposed the amount of any such tax paid or payable.

SECTION 5 ADMINISTRATION

5.1 Administration

The Board of Directors is responsible for the administration of the Plan. The Board of Directors may, at any time and from time to time, establish, change and repeal regulations that are in compliance with the Plan, as it deems necessary or advisable with respect to the proper administration and operation of the Plan, and such regulations are an integral part of the Plan. The Board of Directors may delegate some of its functions and administrative powers to a Director of the Corporation, as it deems appropriate.

5.2 Interpretation

The Board of Directors' interpretation of any provision of the Plan and its decisions with respect thereto shall be final and binding and shall not be subject to any dispute on the part of an Optionee. No member of the Board of Directors nor any person acting pursuant to powers that have been delegated hereunder shall be responsible for any of the measures taken or decisions made in good faith with respect to the Plan and each member of the Board of Directors and each of these persons shall be indemnified with respect to the measures or decisions as provided for by the Corporation.

SECTION 6 AMENDMENTS TO AND TERMINATION OF THE PLAN

6.1 Future Amendments

The Board of Directors may from time to time, subject to the approval of the Exchange, amend the Plan and the terms of any Options to be subsequently awarded and, without limiting the generality of the foregoing, may make such amendments in order to comply with changes to any laws or regulations applicable to the Plan, to an Option or to the Shares, or for any other purpose permitted by law. However, such changes shall not prejudice any rights of any Optionee under any Option or alter the terms of any Options awarded prior to the amendment.

6.2 Amendments to the Exercise Price and/or Expiry Date

The approval of the disinterested shareholders of the Corporation is required if the Board of Directors wishes to reduce the Exercise Price and/or extend the Expiry Date of Options granted previously to Insiders.

6.3 Advanced Exercise of Options

Notwithstanding any provision to the contrary in the Plan or in a resolution of the Board of Directors passed to carry out such provision, if the Corporation and another corporation or joint stock corporation (with the exception of a wholly-owned subsidiary) have the intention of merging, or if the Corporation intends on proceeding with its liquidation or dissolution, voluntary or otherwise, or if an offer is made to purchase all or part of the Corporation's outstanding Shares, the Board of Directors, by means of a written notice to this effect given to each Optionee, may then allow for the exercise of Options within thirty (30) days after the date of the written notice, subject to the limits imposed pursuant to sub-section 4.4, and shall stipulate that at the end of the thirty (30) day period, all of the rights of the Optionees with respect to the exercise of any non-exercised Options shall immediately be terminated.

6.4 Retroactive Amendment

The Board of Directors may, from time to time and subject to the approval of the Exchange, retroactively amend the Plan and, with the consent of the affected Optionees, retroactively amend the terms and conditions of the Options that have been granted up until then.

6.5 Termination of the Plan

The Board of Directors may terminate the Plan at any time provided that such termination does not affect the rights of any Optionee pursuant to any Option and does not amend the terms and conditions of any Option that has been granted to such Optionee before the date of such termination and, notwithstanding such termination, the Corporation, the Options and the Optionees shall continue to be subject to the provisions of the Plan.

SECTION 7 AGREEMENT

The Corporation and every Optionee are bound by the terms and conditions of the Plan and the execution of a copy of the text of the Plan as well as the delivery thereof by an Optionee to the Board of Directors pursuant to sub-section 2.4 shall constitute an agreement between the Corporation and the Optionee thus bound.

KDA GROUP INC.

(s) Marc Lemieux

Per: Marc Lemieux, Chairman of the Board of Directors, President and CEO

The undersigned Optionee hereby acknowledges:

1. to have received his/her Option Certificate and a copy of the text of the Stock Option Plan and agrees to be bound by the provisions thereof and by any amendment that is made thereto to the extent that such amendment applies from time to time; and
2. to consent to the disclosure by the Corporation of personal information regarding the Optionee to the TSX Venture Exchange (the "**Exchange**") and to the collection, use and disclosure of such information by the Exchange, as the Exchange may determine.

DATED ______________________________

____

(Signature of the Optionee)

____

(Name of the Optionee – in block letters)

SCHEDULE "B-1"

SCHEDULE A

[INSERT THE FOLLOWING LEGEND :

*Without prior written approval of TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate and the securities issued hereunder may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date that is 4 months and 1 day following the Date of Grant].***]**

KDA GROUP INC.

STOCK OPTION PLAN

OPTION CERTIFICATE

The present certificate is delivered pursuant to the provisions of the Stock Option Plan (the "**Plan**") of KDA Group Inc. and certifies that ________________________ is the holder of an Option regarding the purchase from KDA Group Inc. of ____________ common shares (the "**Shares**") in the share capital of KDA Group Inc., in consideration of a purchase price of $_________ per Share (the "**Exercise Price**"). Subject to the provisions of the Plan:

• the Expiry Date of this Option is ________________________;

• the dates of the Vested Option are:

- ● ,2024: ● representing 33.33% of this Option;
- ● ,2025: ● representing 33.33% of this Option; and
- ● ,2026: ● representing 33.33% of this Option.

The holder (or his or her Personal Representative as provided for in the Plan) may exercise this Option during the Exercise Period by giving the Board of Directors an Exercise Notice, as stated in the Plan, accompanied by this certificate and a cheque payable to KDA Group Inc., in an amount equal to the aggregate Exercise Price of the Shares with respect to which this Option is being exercised. If only part of this Option is being exercised, the Board of Directors shall make a note on this certificate indicating the extent of the exercise and this certificate shall then be returned to the holder.

This certificate, as well as the Option represented thereby, may not be assigned or transferred, nor is it negotiable and it is subject to all of the specified terms and conditions contained in the Plan. This certificate is only delivered for convenience and in the event of a dispute with respect thereto, the provisions of the Plan and the records of KDA Group Inc. shall have priority.

The above-mentioned Option was granted on _______________________.

KDA GROUP INC.

By: ___________________________________

●, ●

No. of the OPTION CERTIFICATE: _______________

SCHEDULE B

<u>KDA GROUP INC.</u>

STOCK OPTION PLAN

EXERCISE NOTICE

To the Board of Directors of
KDA Group Inc.
Stock Option Plan

Pursuant to the Stock Option Plan of KDA Group Inc., the undersigned hereby gives an irrevocable notice of the exercise of the Option regarding the purchase of the following Shares and hereby subscribes (cross out the inappropriate item):

(a) all of the Shares; or

(b) __________ of the Shares,

that are subject to the Option Certificate accompanying this document.

With this notice, the undersigned is delivering a cheque payable to KDA Group Inc. in an amount equal to the aggregate Exercise Price of the Shares previously subscribed and requests that KDA Group Inc. deliver a Share certificate representing the Shares registered in the name of the undersigned.

DATED ________________________________

____
(Signature of the Optionee)

____
(Name of the Optionee – in block letters)

☐ Check if you want the certificates to be delivered to your broker and provide information regarding the registration of the certificates:

____

____

____

SCHEDULE "C"

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Disclosure of Corporate Governance Practices

The board of directors (the "**Board**") of KDA Group Inc. (the "**Corporation**"), after having reviewed the policies, rules and guidelines (the "**Guidelines**") adopted by the TSX Venture and the Canadian securities regulators with respect to the disclosure by listed companies of their approach to corporate governance, and after having received advice from its counsel, undertook to implement the Guidelines it found appropriate having due regard for the Corporation's size and its present stage of development. The mandate, composition and responsibilities of the Board and its committee are set forth in the directors' and corporate governance manual (the "**Corporate Governance Manual**"). The Board, in accordance with the new measures adopted by Canadian securities regulators that are applicable to the Corporation, has adopted such a document. This statement of the Corporation's corporate governance practices was approved by the Corporation's Board.

Board

Composition of the Board

The Board of the Corporation is presently composed of four (4) directors, two of whom are independent directors within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* adopted by the Canadian Securities Administrators. Marc Lemieux who is President and Chief Executive Officer of the Corporation and Isabelle Bégin who was an officer of the Corporation within the last three (3) years are not considered independent directors.

The Board is of the opinion that its current size is adequate and furthers the efficiency of its deliberations, while ensuring a diversity of opinions and experience. Mr. Lemieux and Mrs. Bégin are the only directors not independent within the meaning of the applicable securities legislation. The Corporation is of the opinion that each of its directors and each of its candidates as director is highly capable and has sound knowledge and experience of the Corporation's business and contributes in an unbiased and first-rate manner. For all the above-mentioned reasons, the Corporation believes that each and every director is eager to fulfil his obligations and assume his responsibilities in the best interests of the Corporation and of all the Shareholders and will not allow other interests for himself or a particular group of Shareholders to conflict with his duty.

The Board has concluded that even though Mr. Lemieux is President and Chief Executive Officer of the Corporation and Mrs. Bégin was a member of the senior management of the Corporation, the Board's ability to act independently of management is not impaired. Moreover, the independent directors can meet independently from the management of the Corporation if necessary. The Board is of the opinion that Mr. Lemieux's thorough knowledge of the health industry and of the Corporation's activities, its environment, markets and clients, as well as Mrs. Bégin's experience benefit the other directors and enables the Board to make prompt, effective and well-informed decisions. Patrick Fernet acts as president of the Audit Committee, thus ensuring the communication between the Corporation's management and the independent directors of the Board, the independent directors being also members of the Audit Committee.

Position Descriptions

The Board has developed written position descriptions for the Chair, the Chair of the audit committee and the Chief Executive Officer of the Corporation.

Ethical Business Conduct

All directors of the Corporation have the obligation to perform their duties and assume their responsibilities in the best interests of the Corporation. The Corporation expects all of its directors to comply with the laws and regulations governing its conduct and further is committed to promoting integrity and maintaining the highest standard of ethical conduct in all of its activities. To that effect, and because it considers that sound corporate governance practices are essential to the Corporation's effective operations, the Corporation's Board adopted the Corporate Governance Manual. Such manual is reviewed periodically to ensure its compliance with the most recent measures adopted by applicable Canadian securities regulators and in taking into account the size of the Corporation. In addition, the Board expects all of its members to participate actively in meetings of the Board and of the committees on which they serve and attendance is duly recorded.

Role of the Board

The Board's mandate is to oversee the conduct of the Corporation's business and to supervise management, which is responsible to the Board for the day-to-day conduct of business.

The Board discharges five (5) specific responsibilities as part of its overall "stewardship responsibility". These are:

- strategic planning process: given the Corporation's size, its strategic plan is elaborated at the Board level, with the assistance of management;
- managing risk: as long as the Board directly oversees most aspects of the Corporation's business, it does not, for the time being, require the elaboration of "systems" or the creation of committees to effectively monitor and manage the principal risks of all aspects of the Corporation's business;
- appointing, training and monitoring senior management: no elaborate systems of selection, training and assessment of management are established for the time being, as these would prove too costly given the Corporation's size and its present stage of development; however, the Board closely monitors and measures management's performance against the overall strategic plan, through reports by, and regular meetings with management;
- communication policy: the Board commits to communicate effectively with its Shareholders, other dormant partners and the public in general, through statutory filings and mailings, as well as press releases; the Shareholders are also given an opportunity to make comments or suggestions at Shareholders' meetings; these comments and suggestions, when appropriate and relevant, are then factored into the Board's decisions; and
- ensuring the integrity of the Corporation's internal control and management information systems: given the reports from, and the meetings with management, the Board can effectively track and monitor the implementation of approved strategies.

Establishment of Board committees

In accordance with the Guidelines, the Board examined the possibility of setting up various committees such as an Audit Committee, a Nominating Committee, a Governance Committee or a Human Resources and Compensation Committee. It was decided that the Board would set up an Audit Committee pursuant to the requirements of the TSX Venture Exchange Policies and the National Instrument 52-110 ("**NI52-110**") of the Canadian Securities Administrators. It was also decided that the Board would perform the functions of the other above-mentioned committees for the time being and that such decision will be periodically reviewed by the Board, having due regard for the Corporation's evolution.

Audit Committee

Independence and Financial Literacy

The information provided in this section is limited in accordance with the exemption set forth in Section 6.1 of NI52-110, which exempts a venture issuer, such as the Corporation, from certain obligations relating to the composition of the Audit Committee and disclosure of information.

The Audit Committee is comprised of Patrick Fernet, director, Marc Lemieux, director and President and Chief Executive Officer, and Isabelle Bégin, director. The Board considers that one member is independent.

In addition, the Board considers that all of the members of the Audit Committee are financially literate within the meaning of NI52-110, meaning that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. The Committee is chaired by Mr. Fernet.

Education and Experience of the members of the Audit Committee

Actual members of the Audit Committee as well as the candidates as members of the Board that will replace the actual members have education and experience that are relevant to the performance of their responsibilities as an audit committee member. Such education and experience (see details below) allowed them to acquire, *inter alia*, the following skills:

a) an understanding of the accounting principles used by the Corporation to prepare its financial statements;
b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
d) an understanding of internal controls and procedures for financial reporting.

Isabelle Bégin – In 2010, after practicing in the pharmaceutical industry as a sales representative for over 15 years and developing privileged relationships with pharmacist owners across the province of Québec, Mrs. Bégin decided to create a placement platform focused on practical solution for its customers. Mrs. Bégin holds a B.A.A. in business administration from the Laval University.

Patrick Fernet – Mr. Fernet is a lawyer and a graduate of the University of Montreal. He has also successfully completed the Canadian Securities Course and he is a graduate in business administration of the Cégep Jean-de-Brébeuf. Over the past 20 years he has worked as a legal consultant on business and financial matters for small cap emerging companies. Through these years he was involved and has acquired a wide experience in the legal, the accounting and the financial sector. He is also acting as director and member of the audit committee of public companies listed on the TSXV.

Marc Lemieux – Mr. Lemieux played a key role in KDA's growth. Through his guidance and leveraging on his experience of more than 20 years as a distributor of medical product and representative, Mr. Lemieux has been an essential contributor to KDA's business development and finance. Mr. Lemieux holds a B.A.A. in business administration from Laval University.

Role of the Audit Committee

The Audit Committee is responsible for helping the directors fulfil their audit duties. This committee must ensure sound communication between external auditor, financial officers, management and directors of the Corporation so that they can fulfil their respective duties. In carrying out its duties, the Audit Committee must meet with the Corporation's executives responsible for finance and its external auditor to examine issues relating to the presentation of the financial information, accounting practices, the internal accounting system and the financial controls, auditing procedures and programs. To this effect, members of the Audit Committee hold private sessions with the Corporation's external auditor at least once a year. It also oversees and evaluates the efficiency and the integrity of the internal control and management information systems. It is further responsible for reviewing the Corporation's quarterly and annual audited consolidated financial statements, as well as all other public disclosure documents containing financial information together with management and, as the case may be, the external auditor, any discrepancies between the accounting practices and any other financial matters judged appropriate before publication.

The Audit Committee is also responsible for the quality control of the auditing services provided by the Corporation's external auditor, the pre-approval of the mandate and audit fees for the non-related audit services and to ensure itself for the external auditor's independence and for making recommendations to the Board regarding the appointment of the external auditor or the renewal of their mandate.

Mandate of the Audit Committee

You will find below under "Charter of the Audit Committee" the complete text of the Audit Committee's responsibilities as provided under the Corporate Governance Manual.

Charter of the Audit Committee

On April 17, 2024, the Board has adopted a Charter disclosing the mandate and responsibilities of the Audit Committee of the Corporation. The text of the Charter of the Audit Committee reads as follows:

1. Mandate

The Committee oversees the accounting and financial reporting processes of the Corporation and audits of the financial statements.

2. Composition and meetings

2.1 Membership

a) The Board of the Corporation appoints the members of the committee after each annual Shareholder meeting of the Corporation.

b) The Committee is comprised of at least three directors, a majority of which shall be independent of management.

c) Each member of the Committee shall be a member of the Board of the Corporation.

d) Two members shall constitute a quorum for any meeting of the Committee and each decision of the Committee shall be decided by a majority of votes cast at a meeting.

2.2 Attendance at Meetings

a) The Committee may meet as frequently as required and each member of the Committee may call a meeting of the Committee if such member considers it necessary by transmitting a 24-hour notice of meeting to the other members.

b) The Committee may invite such other persons to its meetings, as it deems appropriate, including the external auditor of the Corporation, in order to discuss any matter that the Committee considers relevant to execute its duties.

c) External auditor of the Corporation may convene a meeting of the Committee as they deem necessary and notably in order to comment on and submit for approval the financial statements of the Corporation or to discuss any question pertaining to the preparation of the financial statements, in delivering a 24-hour notice of meeting to the members of the Committee.

d) The proceedings of all meetings will be minuted.

3. Responsibilities

The committee:

3.1. shall recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation.

3.2. shall recommend the compensation of the external auditor.

3.3. shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.

3.4 shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.

3.5. shall review the Corporation's financial statements, MD&A and annual and interim earnings press releases before the Corporation publicly discloses this information.

3.6. shall be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in subsection 3.5 and must periodically assess the adequacy of those procedures.

3.7 shall 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.

3.8 shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

4. Authority of the committee

4.1 The Committee has every necessary power to execute its mandate and fulfil its responsibilities in accordance with the provisions of this Charter and the NI52-110, as amended from time to time as the case may be.

4.2 More particularly but without limiting the generality of paragraph 4.1 above, the Committee has the authority:

a) to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for such counsel or advisors;

b) to communicate directly with any officer or employee of the Corporation and any service supplier of the Corporation, including the external proxys, in order to obtain any necessary information to carry its duties;

c) to require the attendance of any officer or employee of the Corporation at any meeting of the Committee.

Education Programme

The Corporation does not provide a formal orientation and education programme for new Directors for the time being. However, new Directors shall be given an opportunity to familiarize themselves with the Corporation by visiting the premises, meeting other members of the Board as well as members of management. Moreover, new Directors shall be invited to meet with the Corporation's counsel to be familiarized with their legal responsibilities.

Board’s performance, Directors’ compensation and Nomination of Directors

Given the size of the Corporation, the Board does not have a compensation committee comprised only of independent directors and assumes itself the role of the compensation committee. Given that the Board is comprised of two (2) independent directors, the Board believes that the participation of independent directors facilitates an objective procedure for the determination of the compensation. Without convening a special meeting for this purpose, the Board shall periodically perform an assessment exercise addressing its effectiveness, with input from management. The Board has the responsibility to issue recommendations on the compensation of the directors, the Chairman of the Board, the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and the Executive Vice President.

Board remuneration is to be disclosed in all Management Information/Proxy Circular to be sent to Shareholders prior to meetings.

Each member of the Board assumes responsibility for making recommendations to the Board with respect to proposing new candidates when new directors are to be elected. Given the size of the Corporation, the Board does not have a nomination committee comprised solely of independent directors. The Board itself assumes the role of the nomination committee and an objective selection procedure is respected.

Board's relations with management

The President of the Corporation is also member of the Board, as it is the case with corporations of the Corporation's size. However, the Board strongly feels that this is not an impediment to the proper discharge of the Board's responsibilities. Furthermore, the interaction between senior management and Board members both inside and outside of Board meetings ensures that the Board is properly informed and that the Board members' experience and hindsight shall be sought and obtained when needed by management.

Evolution of Practices

The aforementioned corporate governance practices, as currently drafted, are subject to changes along with the Corporation's evolution. Therefore, the Board shall remain sensitive to corporate governance issues and shall continuously seek to set up the necessary measures, control mechanisms and structures to ensure an effective discharge of its responsibilities without creating additional overhead costs and reducing the return on Shareholders' equity. The Board shall remain committed to ensuring the long-term viability and profitability of the Corporation, as well as the well-being of its employees and of the communities in which it operates.