

**HAVILAND ENVIRO CORP.**  
410 West Georgia Street, 5<sup>th</sup> Floor  
Vancouver, British Columbia V6B 1Z3

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that an annual general and special meeting (the “**Meeting**”) of the shareholders of **Haviland Enviro Corp.** (the “**Corporation**”) will be held on May 7, 2025, at the hour of 10:00 a.m. (Eastern time), at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2 for the following purposes:

1. to receive and consider the unaudited consolidated financial statements of the Corporation for the three and nine months ended December 31, 2024 and the audited financial statements for the years ended March 31, 2024 and 2023 and the respective report of the auditors thereon;
2. to pass, with or without variation, an ordinary resolution fixing the number of directors of the Corporation at four (4);
3. to elect the directors of the Corporation;
4. to appoint the auditors of the Corporation and to authorize the directors to fix their remuneration;
5. to consider, and if deemed advisable, to pass with or without variation, an ordinary resolution of shareholders approving the stock option plan of the Corporation (the “**Stock Option Plan**”); and
6. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his duly executed form of proxy with the Corporation’s transfer agent and registrar, Odyssey Trust Company (“**Odyssey**”), at Proxy Department, 702-67 Yonge Street, Toronto, Ontario M5E 1J8 not later than 10:00 a.m. (Eastern time) on May 5, 2025 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned Meeting.

Shareholders who are unable to attend the Meeting in person, are requested to date, complete, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Meeting.

The board of directors of the Corporation has by resolution fixed the close of business on April 1, 2025 as the record date, being the date for the determination of the registered holders of common shares of the Corporation entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof.

The accompanying management information circular provides additional detailed information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of annual general and special meeting. Additional information about the Corporation and its consolidated financial statements are also available on the Corporation’s profile at [www.sedarplus.ca](http://www.sedarplus.ca).

**DATED** at Toronto, Ontario this 2<sup>nd</sup> day of April, 2025.

**BY ORDER OF THE BOARD**

*“David Johnston” (signed)*  
Chief Executive Officer



**HAVILAND ENVIRO CORP.**  
410 West Georgia Street, 5<sup>th</sup> Floor  
Vancouver, British Columbia V6B 1Z3

**MANAGEMENT INFORMATION CIRCULAR**  
**As at April 2, 2025**

**SOLICITATION OF PROXIES**

**THIS MANAGEMENT INFORMATION CIRCULAR (“CIRCULAR”) IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF HAVILAND ENVIRO CORP.** (the “**Corporation**”) of proxies to be used at the annual general and special meeting of shareholders of the Corporation to be held on May 7, 2025 at the hour of 10:00 a.m. (Eastern time) at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2, and at any adjournment or postponement thereof (the “**Meeting**”) for the purposes set out in the enclosed notice of meeting (the “**Notice**”). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Corporation’s proxy solicitation materials (the “**Meeting Materials**”) to the beneficial owners of the common shares of the Corporation (the “**Common Shares**”) held of record by such parties. The Corporation may reimburse such parties for reasonable fees and disbursements incurred by them in doing so. The costs of the solicitation of proxies will be borne by the Corporation. The Corporation may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Corporation in favour of the matters set forth in the Notice.

**APPOINTMENT AND REVOCATION OF PROXIES**

A holder of Common Shares who appears on the records maintained by the Corporation’s registrar and transfer agent as a registered holder of Common Shares (each a “**Registered Shareholder**”) may vote in person at the Meeting or may appoint another person to represent such Registered Shareholder as proxy and to vote the Common Shares of such Registered Shareholder at the Meeting. In order to appoint another person as proxy, a Registered Shareholder must complete, execute and deliver the form of proxy accompanying this Circular, or another proper form of proxy, in the manner specified in the Notice.

The purpose of a form of proxy is to designate persons who will vote on the shareholder’s behalf in accordance with the instructions given by the shareholder in the form of proxy. The persons named in the enclosed form of proxy are officers or directors of the Corporation. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION, TO REPRESENT HIM OR HER AT THE MEETING MAY DO SO BY FILLING IN THE NAME OF SUCH PERSON IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY.** A Registered Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed form of proxy with the Corporation’s transfer agent and registrar, Odyssey Trust Company (the “**Transfer Agent**”), not later than 10:00 a.m. (Eastern time) on May 5, 2025 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned Meeting at which the form of proxy is to be used. A form of proxy should be executed by the Registered Shareholder or his or her attorney duly authorized in writing or, if the Registered Shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies may be deposited with the Transfer Agent using one of the following methods:

|                   |                                                                                                                            |
|-------------------|----------------------------------------------------------------------------------------------------------------------------|
| <b>By Mail:</b>   | Trader’s Bank Building<br>702, 67 Yonge Street<br>Toronto ON M5E 1J8                                                       |
| <b>Facsimile:</b> | Attention of the Proxy Department at 1-800-517-4553 (toll-free within Canada and the U.S.) or 416-263-9524 (international) |
| <b>By Email:</b>  | proxy@odysseytrust.com                                                                                                     |

A Registered Shareholder attending the Meeting has the right to vote in person and, if he or she does so, his or her form of proxy is nullified with respect to the matters such person votes upon at the Meeting and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

A Registered Shareholder who has given a form of proxy may revoke the form of proxy at any time prior to using it by: (a) depositing an instrument in writing, including another completed form of proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or by electronic signature or, if the Registered Shareholder is a corporation, by an authorized officer or attorney thereof at, or by transmitting by telephone or electronic means, a revocation signed, by electronic signature, to (i) the registered office of the Corporation, located at 410 West Georgia Street, 5<sup>th</sup> Floor, Vancouver, British Columbia V6B 1Z3, at any time prior to 5:00 p.m. (Eastern time) on the last business day preceding the day of the Meeting or any adjournment thereof or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (b) any other manner permitted by law.

### **EXERCISE OF DISCRETION BY PROXIES**

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if a Registered Shareholder specifies a choice with respect to any matter to be acted upon at the meeting, the Common Shares represented by the proxy shall be voted accordingly. Where no choice is specified, the proxy will confer discretionary authority and will be voted for the election of directors, for the appointment of auditors and the authorization of the directors to fix their remuneration and for each item of special business, as stated elsewhere in this Circular.

The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his judgment may determine. At the time of printing this Circular, the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

### **ADVICE TO NON-REGISTERED SHAREHOLDERS**

**The information set forth in this section is of significant importance to many shareholders of the Corporation, as a substantial number of shareholders of the Corporation do not hold Common Shares in their own name.** Only Registered Shareholders or the persons they appoint as their proxies are permitted to attend and vote at the Meeting and only forms of proxy deposited by Registered Shareholders will be recognized and acted upon at the Meeting. Common Shares beneficially owned by a non-registered holder (each a “**Non-Registered Holder**”) are registered either: (i) in the name of an intermediary (an “**Intermediary**”) with whom the Non-Registered Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) (a “**Clearing Agency**”) of which the Intermediary is a participant. Accordingly, such Intermediaries and Clearing Agencies would be the Registered Shareholders and would appear as such on the list maintained by the Transfer Agent. Non-Registered Holders do not appear on the list of the Registered Shareholders maintained by the Transfer Agent.

#### ***Distribution of Meeting Materials to Non-Registered Holders***

In accordance with the requirements of NI 54-101, the Corporation has distributed copies of the Meeting Materials to the Clearing Agencies and Intermediaries for onward distribution to Non-Registered Holders as well as directly to NOBOs (as defined below).

Non-Registered Holders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**NOBOs**”). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from Intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials to such NOBOs. If you are a NOBO and the Corporation or its agent has sent the Meeting Materials directly to you, your name, address and information about your holdings of Common

Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf.

The Corporation's OBOs can expect to be contacted by their Intermediary. The Corporation does not intend to pay for Intermediaries to deliver the Meeting Materials to OBOs and it is the responsibility of such Intermediaries to ensure delivery of the Meeting Materials to their OBOs.

### ***Voting by Non-Registered Holders***

The Common Shares held by Non-Registered Holders can only be voted or withheld from voting at the direction of the Non-Registered Holder. Without specific instructions, Intermediaries or Clearing Agencies are prohibited from voting Common Shares on behalf of Non-Registered Holders. Therefore, each Non-Registered Holder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

The various Intermediaries have their own mailing procedures and provide their own return instructions to Non-Registered Holders, which should be carefully followed by Non-Registered Holders in order to ensure that their Common Shares are voted at the Meeting.

Non-Registered Holders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

**Voting Instruction Form.** In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form (a "**VIF**"). If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the VIF must be completed, signed and returned in accordance with the directions on the form.

or,

**Form of Proxy.** Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must complete and sign the form of proxy and in accordance with the directions on the form.

### ***Voting by Non-Registered Holders at the Meeting***

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of an Intermediary or a Clearing Agency, a Non-Registered Holder may attend the Meeting as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder and vote such Common Shares as a proxyholder. A Non-Registered Holder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder, should (a) if they received a VIF, follow the directions indicated on the VIF; or (b) if they received a form of proxy strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder's or its nominees name in the blank space provided. Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those instructions regarding when and where the VIF or the form of proxy is to be delivered.

All references to shareholders in the Meeting Materials are to Registered Shareholders as set forth on the list of registered shareholders of the Corporation as maintained by the Transfer Agent, unless specifically stated otherwise.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value. As of April 1, 2025 (the “**Meeting Record Date**”), there were a total of 12,606,500 Common Shares issued and outstanding. Each Common Share outstanding on the Meeting Record Date carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Meeting Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting. On a show of hands, every shareholder and proxy holder will have one vote and, on a poll, every shareholder present in person or represented by proxy will have one vote for each Common Share held.

To the knowledge of the Corporation’s directors and executive officers, as of the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares, other than as set forth below:

| Name <sup>(1)</sup>                    | Number of Common Shares | Percentage of Issued and Outstanding Common Shares |
|----------------------------------------|-------------------------|----------------------------------------------------|
| Ocmes Acquisition Corp. <sup>(2)</sup> | 1,300,000               | 10.31%                                             |
| Patrick Devlin                         | 2,000,000               | 15.86%                                             |
| Steve Selgensen                        | 2,000,000               | 15.86%                                             |

Notes:

(1) The above information is based upon information supplied by the Transfer Agent and the Corporation’s management.

(2) A corporation owned and controlled by Monique Charbonneau.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

Except as set out under the heading “*Particulars of Matters to be Acted Upon*” below, no director or executive officer of the Corporation who was a director or executive officer at any time since the beginning of the Corporation’s last financial year, or any associate or affiliates of any such directors or officers, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

## PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the directors of the Corporation (the “**Board**”), the matters to be brought before the Meeting are those matters set forth in the accompanying Notice.

### 1. PRESENTATION OF FINANCIAL STATEMENTS

The unaudited consolidated financial statements of the Corporation for the three and nine months ended December 31, 2024 and the audited consolidated financial statements of the Corporation for the years ended March 31, 2024 and 2023 and the respective report of the auditors thereon will be placed before the shareholders at the Meeting. No vote will be taken on the financial statements. The consolidated financial statements and additional information concerning the Corporation are available under the Corporation’s profile at [www.sedarplus.ca](http://www.sedarplus.ca).

### 2. ELECTION OF DIRECTORS

#### *Incumbent Directors*

The Board currently consists of four directors to be elected annually. The Board determined that four (4) directors will be nominated at the Meeting. At the Meeting, shareholders will be asked to approve an ordinary resolution that the number of directors elected be fixed at four (4). The following table states the names of the persons nominated by management for election as directors, any offices with the Corporation currently held by them, their principal occupations or employment, the period or periods of service as directors of the Corporation and the approximate number of voting securities of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised as of the date hereof.

| Name, province or state and country of residence and position, if any, held in the Corporation           | Principal Occupation                                                                                                                                           | Served as Director of the Corporation since | Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present <sup>(1)</sup> | Percentage of Voting Shares Owned or Controlled |
|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| David Johnston <sup>(2)(3)</sup><br>Calgary, Alberta<br><br>Chief Executive Officer and Director         | President of Johnston Capital Corporation, a private commercial and residential real estate development and investments company, from November 1998 to present | April 29, 2022                              | 700,000 <sup>(3)</sup>                                                                                                  | 5.55%                                           |
| Monique Charbonneau<br>Toronto, Ontario<br><br>Chief Financial Officer, Corporate Secretary and Director | President of MJ Rochester Publishing Inc., a private publishing company, from March 2012 to present                                                            | March 3, 2025                               | 1,300,000                                                                                                               | 10.31%                                          |
| David Snowden <sup>(2)</sup><br>Toronto, Ontario<br><br>Director                                         | President of D. W. Snowden Consultants Inc., and sole proprietor of Chartered Accountant practice, from July 1969 to present                                   | April 29, 2022                              | 200,000                                                                                                                 | 1.59%                                           |
| Chris Irwin <sup>(2)</sup><br>Toronto, Ontario<br><br>Director                                           | Partner of Irwin Lowy LLP, a law firm, from January 2010 to present                                                                                            | September 28, 2022                          | 100,000                                                                                                                 | 0.79%                                           |

Notes:

- (1) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Corporation, has been furnished by the respective nominees individually.
- (2) Member of the Audit Committee.
- (3) Mr. Johnston holds 100,000 common shares in the name of Johnson Capital Corporation, a company owned and controlled by Mr. Johnston.

The term of office of each director will be from the date of the annual meeting of the shareholders of the Corporation at which they are elected until the earlier of the next annual meeting of the shareholders of the Corporation.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.** Management has no reason to believe that any of the nominees will be unable to serve as a director but, **IF A NOMINEE IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING NOMINEES AND MAY BE VOTED FOR A SUBSTITUTE NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.**

#### ***Corporate Cease Trade Orders or Bankruptcies***

Other than as described below, no proposed director, within 10 years before the date of this Circular, has been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively an “**Order**”) and that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Mr. Irwin was a director from June 2015 to December 2017 and an officer from September 2015 to April 2016 of Playground Ventures Inc. (formerly Bloeplay Entertainment Inc.) (“**Playground**”), which was subject to a management cease trade order resulting from a failure to file financial statements as issued on May 2, 2016 by the British Columbia Securities Commission and May 4, 2016 and May 16, 2016 by the Ontario Securities Commission. These cease trade orders were revoked on July 5, 2016 by the British Columbia Securities Commission and July 6, 2016 by the Ontario Securities Commission. Playground was subject to a management cease trade order resulting from a failure to file financial statements as issued on May 2, 2017 by the British Columbia Securities Commission and May 4, 2017 by the Ontario Securities Commission. These cease trade orders were revoked on July 5, 2017 by the British Columbia Securities Commission and July 6, 2017 by the Ontario Securities Commission.

Mr. Irwin was the President, Chief Executive Officer, Secretary and a director of Playground, which was subject to a management cease trade order resulting from a failure to file financial statements as issued on December 3, 2018 and amended on December 4, 2018 by the British Columbia Securities Commission and December 4, 2018 by the Ontario Securities Commission. These cease trade orders were revoked on February 6, 2019.

Mr. Irwin was a director and an officer of Intercontinental Gold and Metals Ltd. (“**Intercontinental**”) which was subject to a management cease trade order resulting from a failure to file financial statements as issued by the British Columbia Securities Commission on July 30, 2015. The cease trade order was revoked on September 22, 2015.

Mr. Irwin was a director and an officer of Intercontinental which was subject to a management cease trade order resulting from a failure to file financial statements as issued on August 2, 2018 by the British Columbia Securities Commission. Intercontinental was subject to a cease trade order from a failure to file financial statements as issued on October 5, 2018 by the British Columbia Securities Commission. These cease trade orders were revoked on October 9, 2018.

Mr. Irwin was a director and an officer of Intercontinental which was subject to cease trade order resulting from a failure to file its annual financial statements and accompanying management’s discussion and analysis for the period ended December 31, 2021, within the prescribed time period under applicable securities laws, issued on May 6, 2022 by the British Columbia Securities Commission. As of the date of this Circular, this cease trade order has not been revoked.

Mr. Irwin was a director of Wolf’s Den Capital Corp., which was subject to a cease trade order issued by the British Columbia Securities Commission and Ontario Securities Commission on December 5, 2019 for failure to file its condensed interim financial statements and accompanying management’s discussion and analysis for the period ended September 30, 2019, within the prescribed time period under applicable securities laws. The cease trade orders were revoked on January 6, 2020.

Mr. Irwin was a director of American Aires Inc., which was subject to a cease trade order issued by the Ontario Securities Commission on May 6, 2022 for failure to file its annual financial statements and accompanying management’s discussion and analysis for the period ended December 31, 2021, within the prescribed time period under applicable securities laws. The cease trade order was revoked on March 10, 2023.

Mr. Irwin was President, Chief Executive Officer, Secretary and a Director of Playground Ventures Inc., which was subject to a cease trade order issued by the Ontario Securities Commission on May 5, 2023 for failure to file its annual financial statements and accompanying management’s discussion and analysis for the period ended December 31, 2022, within the prescribed time period under applicable securities law. The cease trade order was revoked on August 4, 2023.

Mr. Irwin was a director of Minnova Corp., which was subject to a cease trade order issued by the Ontario Securities Commission on August 2, 2024 for failure to file its annual financial statements and accompanying management’s discussion and analysis for the period ended March 31, 2024, within the prescribed time period under applicable securities laws. The cease trade order was revoked on October 17, 2024.

None of the proposed directors, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

#### ***Personal Bankruptcies***

None of the proposed directors have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

#### ***Penalties and Sanctions***

None of the proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### **3. APPOINTMENT OF AUDITORS**

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF MCGOVERN HURLEY LLP, AS AUDITORS OF THE CORPORATION TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THEIR REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.** McGovern Hurley LLP, were first appointed as the auditors of the Corporation on July 27, 2022.

### **4. APPROVAL OF STOCK OPTION PLAN**

The Corporation adopted the Stock Option Plan on January 26, 2022. The complete text of the Stock Option Plan is set out in Appendix “A” to this Circular.

Under the terms of the Stock Option Plan, the Board may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers and technical consultants to the Corporation and Eligible Charitable Organizations, non-transferable options to purchase Common Shares of the Corporation, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares as at the date of grant of any such option, and that the exercise period does not exceed 10 years from the date of grant.

The number of Common Shares issuable to any individual director or officer will not exceed 5% of the issued and outstanding Common Shares as at the date of grant of such option. The number of Common Shares issuable at any given time to all technical consultants in aggregate will not exceed 2% of the issued and outstanding Common Shares as at the date of grant of such option. The number of Common Shares issuable at any given time to Eligible Charitable Organizations in aggregate will not exceed one percent (1%) of the issued and outstanding Common Shares as at the date of grant of such option.

The term of an option to purchase Common Shares must expire not later than 12 months after the optionee ceases to be a director, official or technical consultant of the Corporation, subject to any earlier expiry date of such option.

The Stock Option Plan is a “rolling” stock option plan and under Policy 4.4 of the TSX Venture Exchange (the “TSXV”), a listed company on the TSXV is required to obtain the approval of its shareholders for a “rolling” stock option plan at each annual meeting of shareholders. Accordingly, shareholders will be asked to approve the following resolution:

**“BE IT RESOLVED THAT:**

1. the stock option plan of the Corporation attached as Appendix “A” in the management information circular dated April 2, 2025, be and it is hereby confirmed and approved.”

In accordance with the policies of the TSXV, the Plan must be approved by the majority of votes cast at the Meeting on the resolution.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE PLAN RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

**STATEMENT OF EXECUTIVE COMPENSATION**

Under applicable securities legislation, the Corporation is required to disclose certain financial and other information relating to the compensation of the Chief Executive Officer, the Chief Financial Officer and the most highly compensated executive officer of the Corporation as at March 31, 2024 whose total compensation was more than \$150,000 for the financial year of the Corporation ended March 31, 2024 (collectively the “**Named Executive Officers**”) and for the directors of the Corporation.

For the purposes of this Information Circular, “**Named Executive Officer**” means: (a) the CEO of the Corporation; (b) the CFO of the Corporation; (c) in respect of the Corporation and its subsidiaries, the most highly compensated executive officer, other than the CEO and the CFO at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year. As at March 31, 2024, the end of the most recently completed financial year of the Corporation, the Corporation had one Named Executive Officer: Albert Contardi, CEO, CFO and Director.

**Compensation Discussion and Analysis**

As a Capital Pool Company, the Corporation is prohibited from payments of any kind, directly or indirectly, to its Named Executive Officers or directors until the completion of a “Qualifying Transaction” unless otherwise permitted by TSXV Policy 2.4 Capital Pool Companies (the “**CPC Policy**”). Accordingly, the Corporation did not provide any cash or incentive compensation to the Named Executive Officers during the fiscal period ended March 31, 2024.

**Director and Named Executive Officer Compensation**

In accordance with the CPC Policy, no compensation in the form of a salary, consulting fee, retainer, commission, bonus, committee fee, or meeting fee has been paid to or earned by any director or Named Executive Officer for the period from incorporation to the date hereof.

Following the completion of a Qualifying Transaction by the Corporation, if any, it is anticipated that the Corporation will pay compensation to its directors and officers in accordance with industry standards, depending on the nature and size of the particular business that the Corporation acquires in connection with any Qualifying Transaction that it may complete.

**Stock Options and Other Compensation Securities**

On February 7, 2023, officers and directors of the Corporation were granted a total of 400,000 options, each option, exercisable into one Common Share at an exercise price of \$0.10 per Common Share and expiring on February 7, 2026. As at March 31, 2024 and the date of this Circular, the following stock options are outstanding:

| COMPENSATION SECURITIES                                                          |                               |                                                                                                 |                        |                                          |                                                                        |                                                                   |                  |
|----------------------------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------------------|------------------------|------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------|------------------|
| Name and Position                                                                | Type of Compensation Security | Number of compensation securities, number of underlying securities, and percentage of class (#) | Date of issue or grant | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Expiry Date      |
| Albert Contardi<br>Former CEO, former CFO and former director                    | Stock Options                 | 100,000                                                                                         | February 7, 2023       | \$0.10                                   | \$0.10                                                                 | \$0.13                                                            | February 7, 2026 |
| David Johnston<br>Chief Executive Officer and Director                           | Stock Options                 | 100,000                                                                                         | February 7, 2023       | \$0.10                                   | \$0.10                                                                 | \$0.13                                                            | February 7, 2026 |
| Monique Charbonneau<br>Chief Financial Officer, Corporate Secretary and Director | Stock Options                 | 100,000                                                                                         | February 7, 2023       | \$0.10                                   | \$0.10                                                                 | \$0.13                                                            | February 7, 2026 |
| David Snowden<br>Director                                                        | Stock Options                 | 100,000                                                                                         | February 7, 2023       | \$0.10                                   | \$0.10                                                                 | \$0.13                                                            | February 7, 2026 |

None of the above options have been exercised.

### **Stock Option Plan and other Incentive Plans**

#### *Stock Option Plan*

The purpose of the Stock Option Plan is to, among other things, encourage Common Share ownership in the Corporation by directors, officers, employees and consultants of the Corporation and its affiliates and other designated persons. Options may be granted under the Stock Option Plan only to directors, officers, employees and consultants of the Corporation and its subsidiaries and other designated persons as designated from time to time by the Board.

The number of Common Shares which may be reserved for issue under the Stock Option Plan is limited to 10% of the issued and outstanding number of Common Shares as at the date of the grant of Options. As at the date hereof, 400,000 Options have been issued as per the above chart.

Any Common Shares subject to a stock option which is exercised, or for any reason is cancelled or terminated prior to exercise, will be available for a subsequent grant under the Stock Option Plan. The exercise price of any Option cannot be less than the market price of the Common Shares at the time of grant. Stock options granted under the Stock Option Plan may be exercised during a period not exceeding 10 years, subject to earlier termination upon the termination of the optionee's employment, upon the optionee ceasing to be an employee, officer, director or consultant of the Corporation or any of its subsidiaries or ceasing to have a designated relationship with the Corporation, as applicable, or upon the optionee retiring, becoming permanently disabled or dying. The stock options are non-transferable. The Stock Option Plan contains provisions for adjustment in the number of Common Shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of the Common Shares, a merger or other relevant changes in the Corporation's capitalization. Subject to shareholder approval and regulatory approval in certain circumstances, the Board may from time to time amend or revise the terms of the Stock Option Plan or may terminate the Stock Option Plan at any time. The Stock Option Plan does not contain any provision for financial assistance by the Corporation in respect of stock options granted under the Stock Option Plan.

The Corporation has no equity compensation plans other than the Stock Option Plan.

## Employment, Consulting and Management Agreements

The Corporation does not have in place any employment agreements between the Corporation or any subsidiary or affiliate thereof and its Named Executive Officers. There are no employment agreements in place with any of the directors of the Corporation.

## Pension Disclosure

There are no pension plan benefits in place for the Named Executive Officers or the directors of the Corporation.

## Termination and Change of Control Benefits

The Corporation has not provided compensation, monetary or otherwise, during the preceding fiscal year, to any person who now acts or has previously acted as a Named Executive Officer or director of the Corporation in connection with or related to the retirement, termination or resignation of such person. The Corporation has not provided any compensation to such persons as a result of a change of control of the Corporation, its subsidiaries or affiliates.

## SECURITIES AUTHORIZED FOR ISSUE UNDER EQUITY COMPENSATION PLANS

### Equity Compensation Plan Information

The Corporation has in place the Stock Option Plan. Pursuant to the Stock Option Plan, the maximum aggregate number of Common Shares that may be reserved for issue will not exceed 10% of the number of the outstanding Common Shares at the time of the stock option.

The following table sets forth information with respect to all compensation plans of the Corporation under which equity securities are authorized for issuance as of March 31, 2024:

| Plan Category                                                        | Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (#) | Weighted-average Exercise Price of Outstanding Options, Warrants and Rights (\$) | Number of Securities remaining available for Future Issuance under Equity Compensation Plans (#) |
|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| Equity compensation plans approved by securityholders <sup>(1)</sup> | 400,000                                                                                         | 0.10                                                                             | 860,650                                                                                          |
| Equity compensation plans not approved by securityholders            | N/A                                                                                             | N/A                                                                              | N/A                                                                                              |
| <b>Total</b>                                                         | <b>400,000</b>                                                                                  | <b>--</b>                                                                        | <b>860,650</b>                                                                                   |

Note:

(1) As at the Record Date, an aggregate of 12,606,500 Common Shares, representing 10% of the currently outstanding number of Common Shares, may be reserved for issue under the Stock Option Plan, of which 400,000 stock options are issued and outstanding.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as otherwise disclosed in this Circular, no director, executive officer or principal shareholder of the Corporation, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year end or in any proposed transaction that has materially affected or will materially affect the Corporation.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Corporation or person who acted in such capacity in the last financial year of the Corporation, or any other individual who at any time during the most recently completed financial year of the Corporation was a director of the Corporation or any associate of the Corporation, is indebted to the Corporation, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

## AUDIT COMMITTEE INFORMATION REQUIRED IN THE INFORMATION CIRCULAR OF A VENTURE ISSUER

National Instrument 52-110 – *Audit Committees* (“NI 52-110”) requires that certain information regarding the Audit Committee of a “venture issuer” (as that term is defined in NI 52-110) be included in the management information circular sent to shareholders in connection with the issuer’s annual meeting. The Corporation is a “venture issuer” for the purposes of NI 52-110.

### **Audit Committee Charter**

The full text of the charter of the Corporation’s Audit Committee is attached hereto as Appendix “B” (the “**Audit Committee Charter**”).

### **Composition of the Audit Committee**

The current Audit Committee members are David Snowden, Chris Irwin and David Johnston (Chair), each of whom is a director and financially literate. Mr. Snowden and Mr. Irwin are independent in accordance with NI 52-110.

### **Relevant Education and Experience**

The following is a description of the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Corporation to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. 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 persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

### ***David Johnston, CEO and Director***

Mr. Johnston is President of Johnston Capital Corporation, a private commercial and residential real estate development and investment company with past projects in U.S.A., Mexico and Western Canada, which he founded in October 1998. Mr. Johnston is also a licensed Realtor in the Province of Alberta since January 2015. Previously, Mr. Johnston was Senior Partner and Managing Director of Kendal Adjusters Inc., a private risk management and claims adjustment services company that he led from June 2008 to May 2014. Mr. Johnston’s experience involves contract and team management, negotiating of multi-million dollar deals and avoiding costly litigation. Mr. Johnston graduated with Honors from the Business Management program at Mount Royal University.

### ***David Snowden, Director***

Mr. Snowden is President of D. W. Snowden Consultants Inc., sole proprietor of Chartered Accountant practice and a highly seasoned investor. Mr. Snowden lectured at the university of Toronto in the commerce and finance program for over 15 years. Mr. Snowden has acted as a director for several private companies including Republic Packaging Limited, operated out of Chicago, from 2009 until 2021. Mr. Snowden acted as a director of STT Enviro Corp., as a TSXV listed company, from 2010 to 2017. Mr. Snowden was the chairman of the audit committee during this period and participated in divestment of three divisions of STT Enviro Corp. In March of 2015, Mr. Snowden helped with the process to complete a private placement of \$2.25 million for STT Enviro Corp. In December 2014, STT Enviro Corp entered into a binding Letter of Intent with a privately owned company. Mr. Snowden participated in the financial review and review of terms of sale for the transaction. In addition, Mr. Snowden has also acted as a consultant on numerous private companies to assist in their success. He is also a private investor who has actively made numerous investments in private and public companies in the mining, energy, engineering and sports fields.

### ***Chris Irwin, Director***

Mr. Irwin a Partner at Irwin Lowy LLP, a law firm, since January 2010. Mr. Irwin is a graduate of Bishop's University (B.A., 1990), the University of New Brunswick (Bachelor of Laws, 1994) and Osgoode Hall Law School (Master of Laws, 2009). Mr. Irwin was called to the Bar of Ontario in 1996. Mr. Irwin represents several public companies, he is an officer and/or director of several public companies, and serves or has served on the audit committee of several public companies.

### **Audit Committee Oversight**

Since the commencement of the Corporation's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

### **Reliance on Exemptions in NI 52-110**

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on:

1. the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Corporation's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Corporation, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit);
2. the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*) of NI 52-110 (an exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Corporation or of an affiliate of the Corporation if a circumstance arises that affects the business or operations of the Corporation and a reasonable person would conclude that the circumstance can be best addressed by a member of the Audit Committee becoming an executive officer or employee of the Corporation);
3. the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*) (an exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Corporation or of an affiliate of the Corporation if an Audit Committee member becomes a control person of the Corporation or of an affiliate of the Corporation for reasons outside the member's reasonable control);
4. the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) (an exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Corporation or of an affiliate of the Corporation if a vacancy on the Audit Committee arises as a result of the death, incapacity or resignation of an Audit Committee member and the Board was required to fill the vacancy); or

5. an exemption from the requirements of NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (Exemptions) of NI 52-110.

The Corporation is a “venture issuer” for the purposes of NI 52-110. Accordingly, the Corporation is relying upon the exemption in section 6.1 of NI 52-110 providing that the Corporation is exempt from the application of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

### **Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter.

### **Audit Fees**

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of the Corporation for professional services rendered to the Corporation during the fiscal years ended March 31, 2024 and March 31, 2023:

|                                  | <b>Audit Fees<br/>(\$)</b> | <b>Audit-Related Fees<br/>(\$)</b> | <b>Tax Fees<br/>(\$)</b> | <b>All Other Fees<br/>(\$)</b> |
|----------------------------------|----------------------------|------------------------------------|--------------------------|--------------------------------|
| <b>Year ended March 31, 2024</b> | \$10,165                   | Nil                                | Nil                      | Nil                            |
| <b>Year ended March 31, 2023</b> | \$13,000                   | Nil                                | Nil                      | Nil                            |

Audit Fees – aggregate fees billed for professional services rendered by the auditor for the audit of the Corporation’s annual financial statements as well as services provided in connection with statutory and regulatory filings.

Audit-Related Fees – aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the review of quarterly financial statements and related documents.

Tax Fees – aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.

All Other Fees – aggregate fees billed for professional services which included accounting advice.

## **REPORT ON GOVERNANCE**

The Corporation believes that adopting and maintaining appropriate governance practices is fundamental to a well-run company, to the execution of its chosen strategies and to its successful business and financial performance. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* (collectively the “**Governance Guidelines**”) of the Canadian Securities Administrators set out a list of non-binding corporate governance guidelines that issuers are encouraged to follow in developing their own corporate governance guidelines. In certain cases, the Corporation’s practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Corporation at its current stage of development and therefore these guidelines have not been adopted. The Corporation will continue to review and implement corporate governance guidelines as the business of the Corporation progresses and becomes more active in operations.

The following disclosure is required by the Governance Guidelines and describes the Corporation’s approach to governance and outlines the various procedures, policies and practices that the Corporation and the Board have implemented.

### ***Board of Directors***

The Board is currently composed of four directors. Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* (“**Form 58-101F2**”) requires disclosure regarding how the Board facilitates its exercise of independent

supervision over management of the Corporation by providing the identity of directors who are independent and the identity of directors who are not independent and the basis for that determination. NI 52-110 provides that a director is independent if he or she has no direct or indirect “material relationship” with the company. “Material relationship” is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. In addition, under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of an issuer, is deemed to have a “material relationship” with the issuer. Accordingly, of the proposed director nominees, Mr. Irwin and Mr. Snowden are considered to be “independent”. In assessing Form 58-101F2 and making the foregoing determinations, the Board has examined the circumstances of each director in relation to a number of factors.

## Directorships

The following table sets forth the directors and proposed directors of the Corporation who currently hold directorships with other reporting issuers:

| Name of Director | Reporting Issuer                                                                                                                                                                  |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Chris Irwin      | Minnova Corp., Greencastle Resources Ltd., Intercontinental Gold and Metals Ltd., Playground Ventures Inc., SBD Capital Corp., EV Minerals Corporation and Sixty Six Capital Inc. |

## Orientation and Continuing Education

The Board does not have a formal orientation or education program for its members. The Board’s continuing education is typically derived from correspondence with the Corporation’s legal counsel to remain up to date with developments in relevant corporate and securities law matters. Additionally, historically board members have been nominated who are familiar with the Corporation and the nature of its business.

## Ethical Business Conduct

The Board has not adopted guidelines or attempted to quantify or stipulate steps to encourage and promote a culture of ethical business conduct, but does promote ethical business conduct through the nomination of Board members it considers ethical, through avoiding or minimizing conflicts of interest, and by having at least two of its Board members independent of corporate matters.

## Nomination of Directors

The recruitment of new directors has generally resulted from recommendations made by directors and shareholders. The assessment of the contributions of individual directors has principally been the responsibility of the Board. Prior to standing for election, new nominees to the Board are reviewed by the entire Board.

## Other Board Committees

The Board has not established any committees other than the Audit Committee.

## Assessments

Currently the Board has not implemented a formal process for assessing directors.

## OTHER MATTERS

The management of the Corporation knows of no other matters to come before the Meeting other than as set forth in the Notice. **However, if other matters which are not known to management should properly come before the Meeting, the accompanying instrument of proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.**

### **ADDITIONAL INFORMATION**

Additional Information relating to the Corporation is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Shareholders may contact the Corporation at its office by mail at the address set out below to request copies of: (i) this Circular; and (ii) the Corporation's financial statements and the related Management's Discussion and Analysis (the "**MD&A**") which will be sent to the shareholder without charge upon request. Financial information is provided in the Corporation's financial statements and MD&A for its most recently completed financial year.

### **APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Circular have been approved by the Board.

**DATED** at Toronto, Ontario this 2<sup>nd</sup> day of April, 2025.

### **BY ORDER OF THE BOARD**

*"David Johnson" (signed)*  
Chief Executive Officer and Director

**APPENDIX “A”**

**HAVILAND ENVIRO CORP.**

**STOCK OPTION PLAN**

(To follow)

**HAVILAND ENVIRO CORP.**  
**(the “Company”)**

**STOCK OPTION PLAN**

**Dated for Reference January 26, 2022**

**ARTICLE 1**  
**PURPOSE AND INTERPRETATION**

**1.1 Purpose**

The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSXV Policies (as defined herein) (or, if applicable, NEX Policies) and any inconsistencies between this Plan and TSXV Policies (or, if applicable, NEX Policies) will be resolved in favour of the latter.

**1.2 Definitions**

In this Plan

- (a) **“Affiliate”** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (b) **“Associate”** has the meaning assigned by Policy 1.1 of the TSXV Policies;
- (c) **“Black-out Period”** means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company’s insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject);
- (d) **“Board”** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;
- (e) **“Business Day”** means a day on which banks are open for business in Vancouver, but does not include a Saturday, Sunday or holiday in the Province of British Columbia. The Business Day will end at 5:00 p.m. PST on that day.
- (f) **“Cause”** means “Just Cause” as defined in the Participant’s employment agreement or agreement for services with the Company or one of its Affiliates, or if such term is not defined or if the Participant has not entered into an employment agreement or agreement for services with the Company or one of its Affiliates, then any circumstance that would permit the Company to terminate a Participant’s employment or agreement for services without notice of termination, or payment in lieu of notice of termination, severance pay or benefits continuation under the applicable law;

- (g) **“Change of Control”** means the occurrence of any of:
- (i) any transaction at any time and by whatever means pursuant to which any person or any group of two or more persons acting jointly or in concert (other than the Company or any of its affiliates or subsidiary) thereafter acquires the direct or indirect “beneficial ownership” (as defined in the *Business Corporations Act* (Ontario)) of, or acquires the right to exercise control or direction over, securities of the Company representing 50% or more of the then issued and outstanding voting securities of the Company in any manner whatsoever, including, without limitation, as a result of a take-over bid, an issuance or exchange of securities, an amalgamation of the Company with any other person, an arrangement, a capital reorganization or any other business combination or reorganization
  - (ii) the sale, assignment or other transfer of all or substantially all of the assets of the Company to a person or any group of two or more persons acting jointly or in concert (other than a wholly-owned subsidiary of the Company);
  - (iii) the occurrence of a transaction requiring approval of the Company’s security holders whereby the Company is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any person or any group of two or more persons acting jointly or in concert (other than an exchange of securities with a wholly-owned subsidiary of the Company);
  - (iv) a majority of the Board consists of individuals which management of the Company has not nominated for election or appointment as directors; or
  - (v) the Board passes a resolution to the effect that an event comparable to an event set forth in this definition has occurred;
- (h) **“Common Shares”** means the common shares without par value in the capital of the Company providing such class is listed on the TSXV or Toronto Stock Exchange (or, NEX, as the case may be);
- (i) **“Company”** means the company named at the top hereof and includes, unless the context otherwise requires, all of its Affiliates and successors according to law;
- (j) **“Consultant”** means, in relation to the Company, an individual (other than a Director or Officer of the Company or any of its subsidiaries) or Consultant Company that:
- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to any of its subsidiaries, other than services provided in relation to a Distribution;
  - (ii) provides the services under a written contract between the Company or any of its subsidiaries and the individual or the Consultant Company, as the case may be; and

- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or of any of its subsidiaries;
- (k) **“Consultant Company”** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (l) **“CPC”** means a capital pool company of pursuant to Policy 2.4 of the TSXV Policies;
- (m) **“Date of Termination”** means, for a Service Provider, the last day that the Service Provider actively provides services to the Company without regard to any notice of termination or pay in lieu of notice thereof, deemed or notional notice period, or period during which the Service Provider receives pay in lieu of notice, termination pay, severance payments, or salary continuance, whether pursuant to statute, agreement, common law or otherwise;
- (n) **“Director”** means a director (as defined under applicable securities laws) of the Company or any of its subsidiaries;
- (o) **“Discounted Market Price”** has the meaning assigned by Policy 1.1 of the TSXV Policies;
- (p) **“Disinterested Shareholder Approval”** has the meaning assigned by Policy 4.4 Sections 5.3(b) and 5.3(c) of the TSXV Policies;
- (q) **“Distribution”** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;
- (r) **“Effective Date”** for an Option means the date of grant thereof by the Board;
- (s) **“Eligible Charitable Organization”** has the meaning assigned by Policy 4.4 of the TSXV Policies;
- (t) **“Employee”** means:
  - (i) an individual who is considered an employee of the Company or of its subsidiary under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;
  - (ii) an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company or its subsidiary over the details and methods of work as an employee of the Company or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source; or
  - (iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or its subsidiary over the details and methods of work as an employee of the Company or of the

subsidiary, as the case may be, but for whom income tax deductions are not made at source;

- (u) **“Exchange Hold Period”** has the meaning assigned by Policy 1.1 of the TSXV Policies;
- (v) **“Exercise Price”** means the amount payable per Common Share issuable on the exercise of an Option, as determined in accordance with the terms hereof;
- (w) **“Expiry Date”** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;
- (x) **“Insider”** means an insider as defined in the TSXV Policies or as defined in securities legislation applicable to the Company;
- (y) **“Investor Relations Activities”** has the meaning assigned by Policy 1.1 of the TSXV Policies;
- (z) **“IPO”** means the initial public offering of the Company on the TSXV pursuant to a prospectus offering of its Common Shares from treasury;
- (aa) **“Management Company Employee”** means an individual employed by a company providing management services to the Company which services are required for the ongoing successful operation of the business enterprise of the Company;
- (bb) **“Market Price”** has the meaning assigned by Policy 1.1 of the TSXV Policies;
- (cc) **“NEX”** means a separate board of the TSXV for companies previously listed on the TSXV or the Toronto Stock Exchange which have failed to maintain compliance with the ongoing financial listing standards of those markets;
- (dd) **“NEX Policies”** means the rules and policies of NEX as amended from time to time;
- (ee) **“Officer”** means an officer (as defined under applicable securities laws) of the Company or any of its subsidiaries;
- (ff) **“Option”** means the right to purchase Common Shares granted hereunder to a Service Provider;
- (gg) **“Option Commitment”** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule “A” attached hereto;
- (hh) **“Optioned Shares”** means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;
- (ii) **“Optionee”** means the recipient of an Option hereunder;
- (jj) **“Outstanding Shares”** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;
- (kk) **“Participant”** means a Service Provider that becomes an Optionee;

- (ll) **“Person”** includes a company, any unincorporated entity, or an individual;
- (mm) **“Plan”** means this stock option plan, the terms of which are set out herein or as may be amended;
- (nn) **“Plan Shares”** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in Section 2.2;
- (oo) **“Regulatory Approval”** means the approval of the TSXV and any other securities regulatory authority that has lawful jurisdiction over the Plan and any Options issued hereunder;
- (pp) **“Securities Act”** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;
- (qq) **“Service Provider”** means a Person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Consultant Company, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (rr) **“Share Compensation Arrangement”** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to a Service Provider;
- (ss) **“Shareholder Approval”** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders’ meeting;
- (tt) **“Take Over Bid”** means a take over bid as defined in National Instrument 62-104 (Take-over Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Company;
- (uu) **“TSXV”** means the TSX Venture Exchange and any successor thereto;
- (vv) **“TSXV Policies”** means the rules and policies of the TSXV as amended from time to time; and
- (ww) **“VWAP”** means the volume weighted average trading price of the Company’s Common Shares on the TSXV calculated by dividing the total value by the total volume of such securities traded for the five trading days immediately preceding the exercise of the subject Option.

### 1.3 Other Words and Phrases

Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the TSXV Policies (and, if applicable, the NEX Policies), will have the meaning assigned to them in the TSXV Policies (and, if applicable, NEX Policies).

### 1.4 Gender

Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

## **ARTICLE 2 STOCK OPTION PLAN**

### **2.1 Establishment of Stock Option Plan**

The Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

### **2.2 Maximum Plan Shares**

The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan at any point in time is 10% of the Outstanding Shares at the time Plan Shares are reserved for issuance as a result of the grant of an Option, less any Common Shares reserved for issuance under Share Compensation Arrangements other than this Plan, unless this Plan is amended pursuant to the requirements of the TSXV Policies (and, if applicable, NEX Policies).

### **2.3 Eligibility**

Options to purchase Common Shares may be granted hereunder to Service Providers of the Company, or its Affiliates, from time to time by the Board. Service Providers that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSXV and the Company is obtained. Service Providers and Consultants conducting Investor Relations Activities, whether external or internal, including officers and directors, can not receive any type of Share Compensation Arrangements other than Options.

### **2.4 Options Granted Under the Plan**

All Options granted under the Plan will be evidenced by an Option Commitment in substantially in the form attached as Schedule “A” (or in such other form as determined by the Company), showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

### **2.5 Limitations on Issue**

Subject to Sections 2.6 and 2.10, the following restrictions on issuances of Options are applicable under the Plan:

- (a) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in a 12 month period, exceeding 5% of the Outstanding Shares, unless the Company has obtained Disinterested Shareholder Approval to do so;
- (b) the aggregate number of Options granted to all Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSXV (or NEX, as the case may be); and

- (c) the aggregate number of Options, together with any other Share Compensation Arrangements, granted to any one Consultant in any 12 month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSXV (or the NEX, as the case may be).

## **2.6 CPC Limitations on Issue**

While the Company is classified as a CPC, the Company shall comply with the following restrictions on issuances of Options pursuant to Section 6 of TSXV Policy 2.4, including but not limited to:

- (a) Options may only entitle the holder to acquire Common Shares;
- (b) the total number of Optioned Shares reserved under option for issuance to any individual director or senior officer may not exceed 5% of the Outstanding Shares at the time Plan Shares are reserved for issuance as a result of the grant of an Option;
- (c) the total number of Optioned Shares reserved under option for issuance to all technical consultants may not exceed 2% of the Outstanding Shares at the time Plan Shares are reserved for issuance as a result of the grant of an Option;
- (d) the total number of Optioned Shares reserved under option for issuance to all Eligible Charitable Organizations may not exceed 1% of the Outstanding Shares at the time Plan Shares are reserved for issuance as a result of the grant of an Option;
- (e) no Options may be granted to a person who is not a director or senior officer of the Company, and where permitted by applicable securities laws, a technical consultant whose particular industry expertise in relation to the business of the Vendors (as defined in TSXV Policy 2.4) or the Target Company (as defined in TSXV Policy 2.4), as the case may be, is required to evaluate the proposed Qualifying Transaction (as defined in TSXV Policy 2.4), a corporation, all of whose securities are owned by such a director, officer or technical consultant, or an Eligible Charitable Organization;
- (f) no Options may be granted to any Person providing Investor Relations Activities, promotional or market-making services;
- (g) the exercise price per Option cannot be less than \$0.05 prior to the completion of its IPO;
- (h) all Options granted by the Company must be granted in compliance with TSXV Policy 4.4 and TSXV Policy 2.4;
- (i) no Options may be granted by the Company unless the Optionee first enters into a CPC Escrow Agreement (as defined in TSXV Policy 2.4) agreeing to deposit the Options, and the Optioned Shares acquired pursuant to the exercise of such Options, into escrow as described in Part 10 of TSXV Policy 2.4; and
- (j) the Expiry Date of an Option must not be later than 12 months after the Optionee ceases to be a director, senior officer or technical consultant of the Company, or

of the Resulting Issuer (as defined in TSXV Policy 2.4), as the case may be, subject to any earlier Expiry Date of such Option.

## **2.7 Exercised and Unexercised Options**

In the event an Option granted under the Plan is exercised, expires unexercised or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issuance.

## **2.8 Administration of the Plan**

The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

- (a) allot Common Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;
- (c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under the Plan unless the alteration or impairment occurred as a result of a change in the TSXV Policies or the Company's tier classification thereunder; and
- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do.

## **2.9 Amendment of the Plan by the Board**

Subject to the requirements of the TSXV Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:

- (a) amendments which are of a typographical, grammatical or clerical nature; and
- (b) amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions.

## **2.10 Amendments Requiring Disinterested Shareholder Approval**

The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) the Plan, together with all of the Company's other Share Compensation Arrangements, could result at any time in:
  - (i) the aggregate number of Common Shares reserved for issuance to Insiders at any time exceeding 10% of the Outstanding Shares;

- (ii) the aggregate number of Common Shares reserved for issuance to Insiders (as a group) within a one-year period exceeding 10% of the Outstanding Shares, calculated at the time of grant; or,
  - (iii) the aggregate number of Common Shares reserved for issuance to any one Optionee, within a 12-month period, of a number of Common Shares exceeding 5% of the Outstanding Shares, calculated at the time of grant; or
- (b) any reduction in the Exercise Price of an Option previously granted to an Insider, or the extension of the term of an Option, if the Participant is an Insider at the time of the proposed amendment.

## **2.11 Options Granted Under the Company's Previous Stock Option Plans**

Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

## **ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS**

### **3.1 Exercise Price**

The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Discounted Market Price.

### **3.2 Term of Option**

The term of an Option will be set by the Board at the time such Option is allocated under the Plan. An Option can be exercisable for a maximum of 10 years from the Effective Date.

Options granted to Eligible Charitable Organizations must expire before the earlier of: (i) the date that is 10 years from the date of grant; and (ii) 90 days following the date that such Participant ceases to be an Eligible Charitable Organization.

### **3.3 Option Amendment**

Subject to Section 2.10(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSXV, or the date of the last amendment of the Exercise Price.

An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in Section 3.2

Except as provided under TSXV Policies, any proposed amendment to the terms of an Option must: (i) be approved by the TSXV, and be subject to Shareholder Approval, where applicable, prior to the exercise of such Option; and (ii) the Company must issue a news release outlining the terms of the amendment.

### **3.4 Vesting of Options**

Subject to Section 3.5, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
- (b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

### **3.5 Vesting of Options Granted to Consultants Conducting Investor Relations Activities**

Notwithstanding Section 3.4, Options granted to all Service Providers conducting Investor Relations Activities will vest such that:

- (a) no more than 25% of the Options vest no sooner than three months after the Options were granted;
- (b) no more than another 25% of Options vest no sooner than six months after the Options were granted;
- (c) no more than 25% of Options vest no sooner than nine months after the Options were granted; and
- (d) the remainder of the Options vest no sooner than 12 months after the Options were granted.

Notwithstanding Section 3.5 or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSXV for vesting requirements imposed by the TSXV Policies.

### **3.6 Effect of Take-Over Bid or Change of Control**

If a Take Over Bid is made to the shareholders generally, or the Company is involved in a transaction which will result in a Change of Control, the Company may, upon the announcement of the Take Over Bid or Change of Control, as applicable, unless provision is made by the acquiring corporation for the assumption of each Option or the substitution of a substantially equivalent option therefor, give written notice thereof to each Optionee holding Options under this Plan and such Optionees shall be entitled to exercise his, her or its Options to the extent previously unexercised, regardless of whether such Optionee would otherwise be entitled to exercise such Options, to such extent at that time, within the 30 day period immediately following the giving of such notice. Any Options not exercised within such 30 day period will immediately terminate and be of no force and effect.

### **3.7 Acceleration of Vesting on Take Over Bid or Change of Control**

In the event of a Take Over Bid or Change of Control occurring, Options granted and outstanding which are subject to vesting provisions, shall be deemed to have immediately vested upon the announcement of the Take Over Bid or Change of Control, excluding Options granted to a Person engaged in Investor Relations Activities without the prior written approval of the TSXV.

### **3.8 Extension of Options Expiring During Blackout Period**

Should the Expiry Date for an Option fall within a Blackout Period such Expiry Date shall, subject to approval of the TSXV (or the NEX, as the case may be), be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. Notwithstanding Section 2.8, the tenth Business Day period referred to in this Section 3.8 may not be extended by the Board.

### **3.9 Optionee Ceasing to be Director, Employee or Service Provider**

Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) an Option granted to any Service Provider will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the Termination Date, and only to the extent that such Option was vested at the Termination Date; and
- (c) in the case of an Optionee being dismissed from employment or service for Cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate on the Termination Date without right to exercise same.

### **3.10 Non Assignable**

Subject to Section 3.9(a), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

### **3.11 Adjustment of the Number of Optioned Shares**

The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

- (a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of

which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;

- (b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;
- (c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;
- (d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this Section 3.11;
- (e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;
- (f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this Section 3.11, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company;
- (g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this Section 3.11, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees; and

- (h) any adjustment, other than in connection with a security consolidation or security split, to Options granted or issued under the Plan is subject to the prior acceptance of the TSXV, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

## **ARTICLE 4**

### **COMMITMENT AND EXERCISE PROCEDURES**

#### **4.1 Option Commitment**

Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

#### **4.2 Manner of Exercise**

An Optionee who wishes to exercise his Option may do so by delivering:

- (a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
- (b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to Section 4.4.

#### **4.3 Cashless Exercise**

Subject to the provisions of the Plan (including, without limitation, Section 4.4), once an Option has vested and become exercisable, an Optionee may elect to exercise such Option by either:

- (a) A “net exercise” whereby Options, excluding Options held by any Investor Relations Service Provider, are exercised without the Participant making any cash payment so the Company does not receive any cash from the exercise of the subject Options, and instead the Participant receives only the number of underlying Common Shares that is the equal to the quotient obtained by dividing: (A) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the exercise price of the subject Options; by (B) the VWAP of the underlying Shares; or
- (b) a broker assisted “cashless exercise” in which the Company delivers a copy of irrevocable instructions to a broker engaged for such purposes by the Company to sell the Common Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to the Company an amount equal to the Exercise Price and all applicable required withholding obligations as determined by the Company against delivery of the Common Shares to settle the applicable trade.

An Option may be exercised pursuant to this Section 3.4 from time to time by delivery to the Company, at its head office or such other place as may be specified by the Company of (i) written notice of exercise specifying that the Optionee has elected to effect such a cashless

exercise of such Option, the method of cashless exercise, and the number of Options to be exercised and (ii) the payment of an amount for any tax withholding or remittance obligations of the Optionee or the Company arising under applicable law and verified by the Company to its satisfaction (or by entering into some other arrangement acceptable to the Company in its discretion, if any). The Participant shall comply with Section 4.4 of this Plan with regard to any applicable required withholding obligations and with such other procedures and policies as the Company may prescribe or determine to be necessary or advisable from time to time including prior written consent of the Board in connection with such exercise.

In the event of a net exercise pursuant to Section 4.3(a) or a cashless exercise pursuant to Section 4.3(b), the number of Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Company, must be included in calculating the limits set forth Sections 2.2, 2.5 and 2.9 of this Plan.

#### **4.4 Tax Withholding and Procedures**

Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in Section 4.2 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

#### **4.5 Delivery of Optioned Shares and Hold Periods**

As soon as practicable after receipt of the notice of exercise described in Section 4.2 or Section 4.3 as applicable, and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. An Exchange Hold Period will be applied from the date of grant for all Options granted to:

- (a) Insiders of the Company; or
- (b) where Options are granted to any Service Provider, including Insiders, where the Exercise Price is at a discount to the Market Price.

Pursuant to TSXV Policies, where the Exchange Hold Period is applicable, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the date of the Option Commitment.

## **ARTICLE 5 GENERAL**

### **5.1 Employment and Services**

Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

### **5.2 No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

### **5.3 Interpretation**

The Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

### **5.4 Continuation of Plan**

The Plan will become effective from and after the date first set out above, and will remain effective provided that the Plan, or any amended version thereof, receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to such effective date.

### **5.5 Amendment of the Plan**

The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to any necessary Shareholder Approval and Regulatory Approvals unless the effect of such amendment is intended to: (i) reduce the number of Common Shares that may be issued under the Plan; (ii) increase the Exercise Price of an Option; or (iii) cancel an Option.

**SCHEDULE "A"**  
**STOCK OPTION PLAN**  
**OPTION COMMITMENT**

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ pursuant to the provisions of the Stock Option Plan (the "**Plan**") of Haviland Enviro Corp. (the "**Company**"), the Company has granted to \_\_\_\_\_ (the "**Optionee**"), an Option to acquire \_\_\_\_\_ Common Shares ("Optioned Shares") up to 5:00 p.m. (Vancouver Time) on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "**Expiry Date**"), or such earlier date as determined in accordance with the terms of the Plan, at an Exercise Price of Cdn\$\_\_\_\_\_ per share.

**[Optioned Shares are to vest immediately.]**

**OR**

**[Optioned Shares will vest (*INSERT VESTING SCHEDULE AND TERMS*)]**

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and form part hereof. This Option Commitment and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Option Commitment is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

To exercise the Option, (1) deliver a written notice in the form attached as Schedule "B to the Plan (or in such other form as established by the Company) specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate exercise price, or (2) if the Optionee wishes to exercise the Option on a "net exercise" basis or "cashless exercise" basis in accordance Section 4.3(a) or Section 4.3(b) of the Plan and the Company's Board of Directors approves the exercise on a "net exercise" basis or "cashless exercise" basis, deliver a written notice and comply with such other conditions as established by the Company for a "net exercise" or "cashless exercise". A certificate, or written notice in the case of uncertificated shares, for the Optioned Shares so acquired will be issued by the Company or its transfer agent, if applicable, as soon as practicable thereafter and may bear a restrictive legend if required under applicable securities laws or the policies of the TSX Venture Exchange.

*[Note: If a four month hold period is applicable under the policies of the TSX Venture Exchange, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.*

"WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [*insert date 4 months from the date of grant*]".

The Company and the Optionee represent that the Optionee, under the terms and conditions of the Plan, is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under TSXV Policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the Policies of the TSX Venture Exchange) by both the Company and the TSX Venture Exchange (or the NEX, as the case may be) as more particularly set out in the Acknowledgement - Personal Information in use by the TSX Venture Exchange (or the NEX, as the case may be) on the date of this Option Commitment.

**HAVILAND ENVIRO CORP.**

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Authorized Signatory

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*[Insert name of Optionee]*

The Optionee acknowledges receipt of a copy of the Plan and represents to the Company that the Optionee is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and conditions of the Plan. The Optionee agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by applicable regulatory authorities.

Signature of Optionee:

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Date signed:

---

Signature

---

Print Name

---

Address

**SCHEDULE "B"**  
**TO STOCK OPTION PLAN**

Haviland Enviro Corp.  
890 West Pender Street, Suite 600  
Vancouver, British Columbia V6C 1J9

Re: Employee Stock Option Exercise

Attention:      Stock Option Plan Administrator, Haviland Enviro Corp.

This letter is to inform Haviland Enviro Corp. that I, \_\_\_\_\_, wish to exercise \_\_\_\_\_ options, at \_\_\_\_\_ per share, on this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_\_.

Payment issued in favour of Haviland Enviro Corp. for the amount of \$\_\_\_\_\_ will be forwarded, including withholding tax amounts.

Please register the share certificate in the name of:

Name of Optionee: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Please send share certificate to:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Sincerely,

\_\_\_\_\_  
Signature of Optionee

\_\_\_\_\_  
Date

\_\_\_\_\_  
SIN Number (for T4)

## APPENDIX “B”

### HAVILAND ENVIRO CORP. CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

#### PART 1

**Purpose:** The purpose of the Audit Committee of the board of directors (the “**Committee**”) is to:

- a) significantly improve the quality of the Corporation’s financial reporting;
- b) assist the Board to properly and fully discharge its responsibilities;
- c) provide an avenue of enhanced communication between the Board and external auditors;
- d) enhance the external auditor’s independence;
- e) increase the credibility and objectivity of financial reports; and
- f) strengthen the role of the outside members of the Board by facilitating in depth discussions between Members, management and external auditors.

#### 1.1 Definitions

“accounting principles” has the meaning ascribed to it in National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*;

“Affiliate” shall have the meaning ascribed thereto in the Instrument;

“audit services” means the professional services rendered by the Corporation’s external auditor for the audit and review of the Corporation’s financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

“Board” means the board of directors of the Corporation;

“Charter” means this audit committee charter;

“Corporation” means Haviland Enviro Corp.;

“Committee” means the committee established by and among certain members of the Board for the purpose of overseeing the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation;

“Control Person” means any person that holds or is one of a combination of persons that holds a sufficient number of any of the securities of the Corporation so as to affect materially the control of the Corporation, or that holds more than 20% of the outstanding voting shares of the Corporation, except where there is evidence showing that the holder of those securities does not materially affect control of the Corporation;

“executive officer” means an individual who is:

- a) a chair of the Corporation;
- b) a vice-chair of the Corporation;
- c) a president of the Corporation;
- d) a vice-president in charge of a principal business unit, division or function including sales, finance or production;
- e) an officer of the Corporation or any of its subsidiary entities who performs a policy-making function in respect of the Corporation; or
- f) any other individual who performs a policy-making function in respect of the Corporation;

“financially literate” has the meaning set forth in Section 1.3;

“immediate family member” means a person’s spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person’s immediate family member) who shares the individual’s home;

“independent” has the meaning set forth in Section 1.2;

“Instrument” means National Instrument 52-110 – *Audit Committees*;

“MD&A” has the meaning ascribed to it in NI 51-102;

“Member” means a member of the Committee;

“NI 51-102” means National Instrument 51-102 *Continuous Disclosure Obligations*;

“non-audit services” means services other than audit services;

## **1.2 Meaning of Independence**

1. A Member is independent if the Member has no direct or indirect material relationship with the Corporation, all as determined in accordance with the Instrument.
2. For the purposes of subsection 1, a material relationship means a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a Member’s independent judgement.

**1.3 Meaning of Financial Literacy** -- For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

## **PART 2**

**2.1 Audit Committee** – The Board has hereby established the Committee for, among other purposes, compliance with the Instrument.

**2.2 Relationship with External Auditors** – The Corporation will henceforth require its external auditor to report directly to the Committee and the Members shall ensure that such is the case.

## **2.3 Committee Responsibilities**

1. The Committee shall be responsible for making the following recommendations to the Board:
  - a) 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; and
  - b) the compensation of the external auditor.
2. The Committee 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.

This responsibility shall include:

- a) reviewing the audit plan with management and the external auditor;

- b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
  - c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
  - d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
  - e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtaining an explanation from management of all significant variances between comparative reporting periods;
  - f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow up to any identified weakness;
  - g) reviewing interim unaudited financial statements before release to the public;
  - h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report, the annual information form and management's discussion and analysis;
  - i) reviewing any evaluation of internal controls by the external auditor, together with management's response;
  - j) reviewing the terms of reference of the internal auditor, if any;
  - k) reviewing the reports issued by the internal auditor, if any, and management's response and subsequent follow up to any identified weaknesses; and
  - l) reviewing the appointments of the Chief Financial Officer and any key financial executives involved in the financial reporting process, as applicable.
3. The Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the issuer's external auditor.
  4. The Committee shall review the Corporation's financial statements, MD&A and annual and interim earnings press releases before the Corporation publicly discloses this information.
  5. The Committee shall ensure 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, and shall periodically assess the adequacy of those procedures.
  6. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Policy 31, and the planned steps for an orderly transition.
  7. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in the National Instrument, on a routine basis, whether or not there is to be a change of auditor.
  8. The Committee shall, as applicable, establish procedures for:
    - a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
    - b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
  9. The Committee shall establish, periodically 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 issuer.

10. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.

**2.4 De Minimis Non-Audit Services** – The Committee shall satisfy the pre-approval requirement in subsection 2.3(3) if:

- a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiary entities to the issuer's external auditor during the fiscal year in which the services are provided;
- b) the Corporation or the subsidiary entity of the Corporation, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

## **2.5 Delegation of Pre-Approval Function**

1. The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2.3(3).
2. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 1 must be presented to the Committee at its first scheduled meeting following such pre-approval.

## **PART 3**

### **3.1 Composition**

1. The Committee shall be composed of a minimum of three Members.
2. Every Member shall be a director of the issuer.
3. The majority of Members shall be independent.
4. Every audit committee member shall be financially literate.

## **PART 4**

**4.1 Authority** – Until the replacement of this Charter, the Committee shall have the authority to:

- a) engage independent counsel and other advisors as it determines necessary to carry out its duties,
- b) set and pay the compensation for any advisors employed by the Committee,
- c) communicate directly with the internal and external auditors; and
- d) recommend the amendment or approval of audited and interim financial statements to the Board.

## **PART 5**

**5.1 Disclosure in Information Circular** -- If management of the Corporation solicits proxies from the security holders of the Corporation for the purpose of electing directors to the Board, the Corporation shall include in its management information circular the disclosure required by Form 52-110F2 (*Disclosure by Venture Issuers*). If the Corporation is not required to send a management information circular to its security holders, it must provide the disclosure required by Form 52-110F2 in its annual information form or annual MD&A.

## **PART 6**

### **6.1 Meetings**

1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.

2. Opportunities shall be afforded periodically to the external auditor, the internal auditor, if any, and to members of senior management to meet separately with the Members.
3. Minutes shall be kept of all meetings of the Committee.





