

**AMERICAN AIRES INC.**  
400 Applewood Crescent, Suite 100  
Vaughan, Ontario L4K 0C3

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

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the “**Meeting**”) of shareholders of **American Aires Inc.** (the “**Company**”) will be held on **Wednesday, May 31, 2023**, at the hour of 10:00 a.m. (Eastern time), at the office of Irwin Lowy LLP, 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2 for the following purposes:

1. to receive and consider the audited financial statements of the Company for the year ended December 31, 2022, and the report of the auditors thereon;
2. to elect the directors of the Company;
3. to appoint the auditors of the Company and to authorize the directors to fix their remuneration;
4. to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution approving the omnibus long-term incentive plan of the Company;
5. to consider and, if deemed advisable, pass, with or without variation, a special resolution to amend the articles of the Company to consolidate each of the issued and outstanding common shares of the Company by changing a maximum of ten (10) pre-consolidation common shares of the Company, or such lesser number of pre-consolidation common shares as the directors of the Company in their discretion may determine, into one (1) post-consolidation common share of the Company, as more fully described in the accompanying management information circular dated April 25, 2023 of the Company; and
6. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

The full text of the special resolution referred to in item 5 above is attached to this notice as Exhibit A.

A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Company’s transfer agent and registrar, Computershare Investor Services Inc., at 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 not later than 10:00 a.m. (Eastern time) on Monday, May 29, 2023 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 Company has by resolution fixed the close of business on Tuesday, April 25, 2023 as the record date, being the date for the determination of the registered holders of common shares of the Company entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof.

**COVID-19 GUIDANCE**

**In the context of the effort to mitigate potential risk to the health and safety associated with COVID-19, shareholders are being discouraged from attending the Meeting in person. All shareholders are encouraged to vote on the matters before the Meeting by proxy in the manner set out herein and in the accompanying management information circular dated April 25, 2023 of the Company.**

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 and special meeting. Additional information about the Company and its financial statements are also available on the Company’s profile at [www.sedar.com](http://www.sedar.com).

**DATED** at Toronto, Ontario this 25<sup>th</sup> day of April, 2023.

**BY ORDER OF THE BOARD**

*“Josh Bruni”* (signed)  
Chief Executive Officer, Chief Revenue  
Officer and Director

**EXHIBIT A**

**SPECIAL RESOLUTION OF THE SHAREHOLDERS  
OF AMERICAN AIRES INC.**

**AMENDMENT TO ARTICLES – CONSOLIDATION**

**“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the articles of the Company be amended to consolidate each of the issued and outstanding common shares of the Company on the basis of up to ten (10) pre-consolidation common shares of the Company, or such lesser number of pre-consolidation common shares as the directors of the Company in their discretion may determine, into one (1) post-consolidation common share of the Company (the “**Consolidation**”), and further authorizing the directors in their sole discretion when and if to effect the Consolidation, in each case without requirement for further approval, ratification or confirmation by shareholders, as more particularly described in the management information circular dated April 25, 2023 of the Company, provided that in the event the Consolidation would result in a shareholder of the Company holding a fraction of a common share, a shareholder shall not receive a whole common share of the Company for each such fraction;
2. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the directors of the Company be, and they are hereby authorized and directed to revoke this resolution at any time prior to the issue of a certificate of amendment giving effect to the Consolidation and to determine not to proceed with the amendment of the articles of the Company without further approval of the shareholders of the Company; and
3. any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, including, without limitation, the execution and delivery of the articles of amendment in the prescribed form to the Director appointed under the *Business Corporations Act* (Ontario), the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

AMERICAN AIRES INC.  
400 Applewood Crescent, Suite 100  
Vaughan, Ontario L4K 0C3

**MANAGEMENT INFORMATION CIRCULAR**  
**As at April 25, 2023**

**SOLICITATION OF PROXIES**

**THIS MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF AMERICAN AIRES INC.** (the “**Company**”) of proxies to be used at the annual and special meeting of shareholders of the Company to be held on Wednesday, May 31, 2023 at the office of Irwin Lowy LLP, 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2 at 10:00 a.m. (Eastern time), and at any adjournment or postponement thereof (the “**Meeting**”) for the purposes set out in the accompanying notice of meeting (the “**Notice of Meeting**”). 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 Notice of Meeting, this management information circular (“**Management Information Circular**”), the annual financial statements of the Company for the financial year ended December 31, 2022 and related management’s discussion and analysis and other Meeting materials, if applicable (collectively the “**Meeting Materials**”) to the beneficial owners of the common shares of the Company (the “**Common Shares**”) held of record by such parties. The Company 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 Company. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Company in favour of the matters set forth in the Notice of Meeting.

**COVID-19 GUIDANCE**

**In the context of the effort to mitigate potential risk to the health and safety associated with COVID-19, shareholders are being discouraged from attending the Meeting in person. All shareholders are encouraged to vote on the matters before the Meeting by proxy in the manner set out in the Notice of Meeting and this Management Information Circular.**

**APPOINTMENT AND REVOCATION OF PROXIES**

A holder of Common Shares who appears on the records maintained by the Company’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 Management Information Circular, or another proper form of proxy, in the manner specified in the Notice of Meeting.

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 Company. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE COMPANY, 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 Company’s transfer agent and registrar, Computershare Investor Services Inc. (the “**Transfer Agent**”), not later than 10:00 a.m. (Eastern time) on Monday, May 29, 2023 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 or Hand Delivery:</b>	Computershare Investor Services Inc. 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1
<b>Telephone:</b>	1-866-732-VOTE (8683) (toll-free within North America) or 1-312-588-4290 (outside North America)  You will need to provide your 15-digit control number (located on the form of proxy accompanying this Management Information Circular)
<b>Facsimile:</b>	1-866-249-7775 or 1-416-263-9524 (if outside North America)  You will need to provide your 15-digit control number (located on the form of proxy accompanying this Management Information Circular)
<b>By Internet:</b>	<a href="http://www.investorvote.com">www.investorvote.com</a>  You will need to provide your 15-digit control number (located on the form of proxy accompanying this Management Information Circular)

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: (a) by 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, subject to the *Business Corporations Act* (Ontario), by electronic signature, to (i) the registered office of the Company, located at 400 Applewood Crescent, Suite 100, Vaughan, Ontario L4K 0C3, 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) in 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 Management Information 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 of Meeting 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 Management Information Circular, the management of the Company 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 Company, as a substantial number of shareholders of the Company 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 beneficial holder of Common Shares who does not appear on the records maintained by the Transfer Agent as a registered holder of Common Shares (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, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) (each 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 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 Company 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 Company 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 Company’s OBOs can expect to be contacted by their Intermediary. The Company 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 nominee's 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 Company as maintained by the Transfer Agent unless specifically stated otherwise.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value. As of Tuesday, April 25, 2023 (the "**Record Date**"), there were a total of 158,756,453 Common Shares issued and outstanding. Each Common Share outstanding on the Record Date carries the right to one vote at the Meeting.

Only Registered Shareholders as of the 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 Registered Shareholder and proxy holder will have one vote and, on a poll, every Registered Shareholder present in person or represented by proxy will have one vote for each Common Share held.

To the knowledge of the directors and executive officers of the Company, 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:

<b>Name</b>	<b>Number of Common Shares <sup>(1)</sup></b>	<b>Percentage of Issued and Outstanding Common Shares</b>
Serov Holdings Inc. <sup>(2)</sup>	39,730,000	25.02%

Notes:

- (1) The above information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been obtained from publicly disclosed information and confirmed by the individual.
- (2) A corporation beneficially owned and controlled by Mr. Dimitry Serov, a director and executive officer of the Company.

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

Except as set out under the heading “*Particulars of Matters to be Acted Upon*” below, and as disclosed elsewhere in this Management Information Circular, no person who has been a director or an officer of the Company at any time since the beginning of its last completed financial year or any associate of any such director or officer 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 board of directors of the Company (the “**Board**”), the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

### 1. PRESENTATION OF FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended December 31, 2022 and the report of the auditors will be placed before the shareholders at the Meeting. No vote will be taken on the financial statements. The financial statements and additional information concerning the Company are available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### 2. APPOINTMENT OF AUDITORS

MNP LLP, the former auditors of the Company, were removed as the auditors of the Company effective January 3, 2023. The Board appointed AGT Partners LLP, as auditors of the Company effective January 3, 2023, to fill the vacancy created thereby. Shareholders are being asked to confirm the actions of the Board and appoint AGT Partners LLP as auditors of the Company to hold office until the next annual meeting of shareholders.

**UNLESS THE SHAREHOLDER DIRECTS THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN CONNECTION WITH THE CONFIRMATION AND APPOINTMENT OF AUDITORS, THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY INTEND TO VOTE FOR THE APPOINTMENT OF AGT PARTNERS LLP AS THE AUDITORS OF THE COMPANY UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND TO AUTHORIZE THE DIRECTORS TO FIX THEIR REMUNERATION.**

In accordance with the provisions of National Instrument 51-102 – *Continuous Disclosure Obligations*, attached to this Management Information Circular as Appendix A, is the requisite reporting package, including the notice of the Company to MNP LLP and AGT Partners LLP stating that there are no reportable events and the letters of each of MNP LLP and AGT Partners LLP to the Ontario Securities Commission, the Alberta Securities Commission and the British Columbia Securities Commission.

### 3. ELECTION OF DIRECTORS

The Board currently consists of five (5) directors. The following table states the names of the persons nominated by management for election as directors at the Meeting, any offices with the Company currently held by them, their principal occupations or employment, the period or periods of service as directors of the Company and the approximate number of voting securities of the Company 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 Company	Principal Occupation	Served as Director of the Company 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
Dimitry Serov <sup>(2)</sup> President, Chief Product Officer, Treasurer and Director  Ontario, Canada	President, Chief Product Officer, Treasurer and Director of the Company	May 15, 2012	39,730,000 <sup>(3)</sup>	25.02%
Josh Bruni <sup>(4)</sup> Chief Executive Officer, Chief Revenue Officer and Director  Texas, United States	Chief Executive Officer, Chief Revenue Officer and Director of the Company	March 1, 2023	nil	n/a
Ruslan Elensky <sup>(2)</sup> Director  Ontario, Canada	President and Chief Executive Officer of Lemarg Inc.	September 26, 2017	1,373,166 <sup>(5)</sup>	0.86%
Drew Green Chairman and Director  Ontario, Canada	President, Chief Executive and Director of INDOCHINO Apparel Inc.	December 9, 2019	nil	n/a
Andrew Michrowski <sup>(2)</sup> Director  Ontario, Canada	Consultant	March 19, 2021	nil	n/a

*Notes:*

- (1) *The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective nominees individually.*
- (2) *Member of the Audit Committee.*
- (3) *Held by Serov Holdings Inc., a corporation beneficially owned and controlled by Mr. Serov.*
- (4) *The principal occupation of Mr. Bruni, the director nominee who was not previously elected by the shareholders of the Company, during the past five years is as follows: Mr. Bruni joined the Company as Chief Revenue Officer in late 2021. Prior to joining the Company, Mr. Bruni was Chief Strategy Officer at Reckitt, a British consumer goods company, from January 2020 to August 2021 and Chief Growth Officer at Vendo, a digital growth agency specializing in online marketplaces, from December 2017 to February 2020.*
- (5) *595,833 Common Shares held by Melarg Group Inc. a corporation controlled by Mr. Elensky.*

The term of office of each director will be from the date of the meeting at which he or she is elected until the next annual meeting, or until his or her successor is elected or appointed.

**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, HER OR ITS 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, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.**

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

Other than as set forth below, no proposed director, within 10 years before the date of this Management Information 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.

Messrs. Serov, Bruni, Elensky, Green and Michrowski were directors of the Company when the Company was subject to a management cease trade order resulting from a failure to file financial statements by the Ontario Securities Commission. The cease trade order was revoked on March 10, 2023.

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

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

As of the date of this Management Information Circular, no director proposed to be nominated for election at the Meeting has been subject to any:

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

#### **4. APPROVAL OF OMNIBUS LONG-TERM INCENTIVE PLAN**

Effective April 25, 2023, the Company adopted an omnibus long-term incentive plan (the “**LTIP**”).

At the Meeting, shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the LTIP (the “**LTIP Resolution**”), subject to such amendments, variations or additions as may be approved at the Meeting. The complete text of the LTIP is set out in Appendix B to this Management Information Circular and a summary of its material terms is provided below.

Any existing options that were granted prior to the effective date of the LTIP pursuant to the Company’s existing stock option plan (the “**Legacy Stock Option Plan**”), which was last approved by the Shareholders on April 5, 2018, and will continue in accordance with their terms. Upon the effective date of the LTIP, however, options shall no longer be granted pursuant to the Legacy Stock Option Plan and shall only be granted pursuant to the LTIP.

The LTIP is a “rolling” plan which sets the number of Awards (as defined herein) available for grant by the Company at an amount equal to up to a maximum of 20% of the Company’s issued and outstanding Common Shares from time to time. The LTIP will allow for a variety of equity-based awards that provide different types of incentives to be granted to certain of our executive officers, employees and consultants in the form of options (“Options”), performance share units (“PSUs”) and restricted share units (“RSUs”). Options, PSUs and RSUs are collectively referred to herein as “Awards”. Each Award will represent the right to receive Common Shares, or in the case of PSUs and RSUs, Common Shares or cash, in accordance with the terms of the LTIP. The following summary of the material terms of the LTIP is qualified in its entirety by the full text of the LTIP, which will be made available at the office of Irwin Lowy LLP, at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2, until the business day immediately preceding the date of the Meeting.

Under the terms of the LTIP, the Board may grant Awards to eligible participants, as applicable. Participation in the LTIP is voluntary and, if an eligible participant agrees to participate, the grant of Awards will be evidenced by a grant agreement with each such participant. The interest of any participant in any Award is not assignable or transferable, whether voluntary, involuntary, by operation of law or otherwise, other than by will or the laws of descent and distribution.

The LTIP will provide the appropriate adjustments, if any, to be made by the Board in connection with a reclassification, reorganization or other change of the Company’s Common Shares, share split or consolidation, distribution, merger or amalgamation, in the Common Shares issuable or amounts payable to preclude a dilution or enlargement of the benefits under the LTIP.

The maximum number of Common Shares reserved for issuance pursuant to the exercise of Options in the aggregate, under the Option portion of the LTIP, and the Legacy Stock Option Plan, will be 20% of the aggregate number of Common Shares issued and outstanding from time to time, which represents 31,751,290 Common Shares as of the date of this Management Information Circular. As of the Record Date, a total of 8,250,000 Options are issued and outstanding under the Legacy Stock Option Plan representing approximately 5.19% of the issued and outstanding Common Shares.

For the purposes of calculating the maximum number of Common Shares reserved for issuance under the LTIP, and the Legacy Stock Option Plan, any issuance from treasury by the Company that is issued in reliance upon an exemption under applicable stock exchange rules applicable to equity-based compensation arrangements used as an inducement to person(s) or company(ies) not previously employed by and not previously an insider of the Company shall not be included. All of the Common Shares covered by the exercised, cancelled or terminated Awards will automatically become available Common Shares for the purposes of Awards that may be subsequently granted under the LTIP. As a result, the LTIP is considered an “evergreen” plan.

The maximum number of Common Shares that may be: (i) issued to insiders of the Company within any one-year period; or (ii) issuable to insiders of the Company at any time, in each case, under the LTIP alone, or when combined with all of the Company’s other security-based compensation arrangements, including the Legacy Stock Option Plan, cannot exceed 20% of the aggregate number of Common Shares issued and outstanding from time to time determined on a non-diluted basis.

An Option shall be exercisable during a period established by the Board which shall commence on the date of the grant and shall terminate no later than ten (10) years after the date of the granting of the Option or such shorter period as the Board may determine. As long as the Common Shares are traded on a stock exchange, the exercise price of an Option may not be less than the greater of the closing price of the Common Shares on: (i) the last trading day before the date such Option is granted; and (ii) the date such Option is granted. The LTIP provides that the exercise period of an Option will automatically be extended if the date on which it is scheduled to terminate falls during a black-out period. In such cases, the extended exercise period will terminate ten (10) business days after the last day of the black-out period.

In order to facilitate the payment of the exercise price of the Options, the LTIP has a cashless exercise feature pursuant to which a participant may elect to undertake either a broker-assisted “cashless exercise” or a “net exercise” subject to the procedures set out in the LTIP, including the consent of the Board, where required.

The following table describes the impact of certain events upon the rights of holders of Options under the LTIP, including termination for cause, resignation, retirement, termination other than for cause, and death or long-term disability, subject to the terms of a participant’s employment agreement, grant agreement and the change of control provisions described below:

Event Provisions	Provisions
Termination for cause	Immediate forfeiture of all vested and unvested Awards.
Resignation	The earlier of the original expiry date and ninety (90) days after resignation to exercise vested Awards or such longer period as the Board may determine in its sole discretion.
Retirement	All unvested Awards will vest in accordance with their vesting schedules, and all vested Awards held may be exercised until the earlier of the expiry date of such Awards or one (1) year following the retirement date.
Termination or cessation	All unvested Awards may vest subject to proration over the applicable vesting or performance period and shall expire on the earliest of ninety (90) days after the effective date of the termination date, or the expiry date of such Award.
Death or long-term disability	All unvested Awards will immediately vest and expire 180 days after the date of death.
Change of Control	If a participant is terminated without “cause” or resigns for good reason during the 12-month period following a Change of Control, or after the Company has signed a written agreement to effect a change of control but before the change of control is completed, then any unvested Awards will immediately vest and may be exercised prior to the earlier of thirty (30) days of such date or the expiry date of such Awards.

The terms and conditions of grants of RSUs and PSUs, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to these Awards, will be set out in the participant’s grant agreement. The impact of certain events upon the rights of holders of these types of Awards, including termination for cause, resignation, retirement, termination other than for cause and death or long-term disability, will be set out in the participant’s grant agreement.

In connection with a change of control of the Company, the Board will take such steps as are reasonably necessary or desirable to cause the conversion or exchange or replacement of outstanding Awards into, or for, rights or other securities of substantially equivalent (or greater) value in the continuing entity, as applicable. If the surviving successor or acquiring entity does not assume the outstanding Awards, or if the Board otherwise determines in its discretion, the Company shall give written notice to all participants advising that the LTIP shall be terminated effective immediately prior to the change of control and all Awards, as applicable, shall be deemed to be vested and, unless otherwise exercised, settled, forfeited or cancelled prior to the termination of the LTIP, shall expire or, with respect to the RSUs and PSUs be settled, immediately prior to the termination of the LTIP. In the event of a change of control, the Board has the power to: (i) make such other changes to the terms of the Awards as it considers fair and appropriate in the circumstances, provided such changes are not adverse to the participants; (ii) otherwise modify the terms of the Awards to assist the participants to tender into a takeover bid or other arrangement leading to a change of control, and thereafter; and (iii) terminate, conditionally or otherwise, the Awards not exercised or settled, as applicable, following successful completion of such change of control.

If the change of control is not completed within the time specified therein (as the same may be extended), the Awards which vest shall be returned by the Company to the participant and, if exercised or settled, as applicable, the Common Shares issued on such exercise or settlement shall be reinstated as authorized but unissued Common Shares and the original terms applicable to such Awards shall be reinstated.

The Board may, in its sole discretion, suspend or terminate the LTIP at any time, or from time to time, amend, revise or discontinue the terms and conditions of the LTIP or of any securities granted under the LTIP and any grant agreement relating thereto, subject to any required regulatory approval, provided that such suspension, termination, amendment, or revision will not adversely alter or impair any Award previously granted except as permitted by the terms of the LTIP or as required by applicable laws.

The Board may amend the LTIP or any securities granted under the LTIP at any time without the consent of a participant provided that such amendment shall: (i) not adversely alter or impair any Award previously granted except as permitted by the terms of the LTIP; (ii) be in compliance with applicable laws and subject to any regulatory approvals including, where required, the approval of any applicable stock exchange; and (iii) be subject to shareholder approval, where required by law or the requirements of the LTIP, provided however that shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:

- amendments of a general “housekeeping” or clerical nature that, among others, clarify, correct or rectify any ambiguity, defective provision, error or omission in the LTIP;
- changes that alter, extend or accelerate the terms of vesting or settlement applicable to any Award;
- any amendment regarding the effect of termination of a participant’s employment or engagement;
- any amendment to add or amend provisions relating to the granting of cash-settled awards, provision of financial assistance or clawbacks and any amendment to a cash-settled award, financial assistance or clawbacks provisions which are adopted;
- any amendment regarding the administration of the LTIP;
- any amendment necessary to comply with applicable law or the requirements of any applicable stock exchange or any other regulatory body having authority over the Company, the LTIP or the shareholders of the Company (provided, however, that any applicable stock exchange shall have the overriding right in such circumstances to require shareholder of any such amendments); and
- any other amendment that does not require shareholder approval under the LTIP;

provided that the alteration, amendment or variance does not:

- increase the maximum number of Common Shares issuable under the LTIP, other than an adjustment pursuant to a change in capitalization or as a consequence of the “rolling” nature of the LTIP;
- reduce the exercise price of Awards, other than as a consequence to a change in capitalization;
- permit the introduction or re-introduction of non-employee directors as eligible participants on a discretionary basis or any amendment that increases the limits previously imposed on non-employee director participation;
- remove or exceed the insider participation limits; or
- amend the amendment provisions of the LTIP.

To be effective, the LTIP Resolution requires the affirmative vote of not less than a majority of the votes cast by shareholders present or represented by proxy and entitled to vote at the Meeting.

The Board unanimously recommends that shareholders vote in favour of the LTIP Resolution. Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Common Shares represented by such form of proxy, properly executed, FOR the LTIP Resolution.

The text of the LTIP Resolution to be passed by shareholders at the Meeting is set out below:

Under the policies of the Canadian Securities Exchange (“CSE”) as revised on April 3, 2023 (the “**Revised Policy**”), the Company must obtain shareholder approval of the LTIP within three years after institution and within every three years thereafter. Furthermore, shareholders must approve the unallocated entitlements under the LTIP. Accordingly, shareholders will be asked to approve the following resolution:

**“BE IT RESOLVED THAT:**

1. the omnibus long-term incentive plan pursuant to which the directors may, from time to time, authorize the issuance of awards to directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 20% of the issued and outstanding Common Shares at the time of the grant, be and is hereby ratified, confirmed and approved;
2. the unallocated entitlements under the omnibus long-term incentive plan, being as of the date of this resolution 23,501,290 stock options, restricted share units and performance share units still available for issue, be and are hereby approved, confirmed and ratified;
3. the Company shall seek shareholder approval of the omnibus long-term incentive plan no later than May 31, 2026; and
4. any director or officer of the Company is hereby authorized and directed, acting for, in the name of, and on behalf of, the Company, to execute or cause to be executed and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such acts and things, as may in the opinion of such director or officer be necessary or desirable to carry out the intent of the foregoing resolutions.”

**THE BOARD RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE LTIP RESOLUTION. PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE LTIP RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE COMMON SHARES ARE TO BE VOTED AGAINST THE LTIP RESOLUTION.**

**5. AMENDMENT TO THE ARTICLES OF THE COMPANY– CONSOLIDATION**

At the Meeting, shareholders are being asked to consider and, if deemed advisable, pass, with or without variation, a special resolution, the text of which is attached as exhibit A to the Notice of Meeting (the “**Consolidation Resolution**”), which would authorize the Company to amend the articles of the Company to consolidate each of the issued and outstanding Common Shares by changing a maximum of ten (10) pre-consolidation Common Shares, or such lesser number of pre-consolidation Common Shares as the directors of the Company in their discretion may determine, into one (1) post-consolidation Common Share (the “**Consolidation**”).

In the event that shareholders pass the Consolidation Resolution, and the Board determines to consolidate on a ten (10) for one (1) basis, the presently issued and outstanding 158,756,453 Common Shares will be consolidated into approximately 15,875,645 Common Shares. If the Board determines to consolidate the Common Shares on a lesser basis, more Common Shares will remain outstanding following the Consolidation. If the Consolidation would otherwise result in a shareholder holding a fraction of a Common Share, no fraction or fractional certificate will be issued, and the shareholder will not receive a whole Common Share for each such fraction held. In all other respects, the post-consolidated Common Shares will have the same attributes as the existing Common Shares.

The Company believes that the Consolidation will both enhance the marketability of the Company as an investment and improve the position of the Company to raise the funds necessary for the continued development of its business

and the growth of the Company.

The Board may determine not to implement the Consolidation after the Meeting and after receipt of necessary shareholder and regulatory approvals, but prior to the issue of a certificate of amendment under the *Business Corporations Act* (Ontario), without further action on the part of the shareholders.

In order to pass, the Consolidation Resolution must be approved by at least two-thirds of the votes cast by the shareholders, present at the Meeting in person or represented by proxy. If the Consolidation Resolution does not receive the requisite shareholder approval, the Company will continue with its present share capital.

The Board recommends that shareholders vote in favour of the Consolidation Resolution to approve the Consolidation as set out above.

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

#### **STATEMENT OF EXECUTIVE COMPENSATION**

Under applicable securities legislation, the Company is required to disclose certain financial and other information relating to the compensation of (a) the Chief Executive Officer, (b) the Chief Financial Officer, (c) the most highly compensated executive officer of the Company at the end of the most recently completed financial year of the Company whose total compensation was more than \$150,000, and (d) each individual who would fit the description under paragraph (c) above but for the fact that the individual was not an executive officer of the Company and was not acting in a similar capacity, at the end of that financial year (collectively the "**Named Executive Officers**") and for the directors of the Company.

During the year ended December 31, 2022, the Company had four Named Executive Officers: Dimitry Serov, President, Chief Product Officer, Treasurer, director and former Chief Executive Officer and former Secretary of the Company, Robert Suttie, former Chief Financial Officer of the Company, Josh Bruni, Chief Revenue Officer of the Company and Vitali Savitski, current Chief Financial Officer of the Company.

After the financial year of the Company ended December 31, 2022, Mr. Josh Bruni was appointed as Chief Executive Officer of the Company and a director, and continued as Chief Revenue Officer, Ms. Jo-Anne Archibald was appointed as Secretary of the Company and Mr. Dimitry Serov took on the role of Chief Product Officer and continued as President, Treasurer and a director of the Company.

#### **Summary Compensation Table**

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years of the Company to the Named Executive Officers and the directors of the Company.

*All dollar amounts referenced in the table below are in Canadian dollars unless otherwise specified.*

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES <sup>(1)</sup>							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Dimitry Serov <sup>(2)</sup> President, Chief Product Officer, Treasurer, Director and Former Chief Executive Officer and Secretary	2022 2021	180,000 180,000	50,000 50,000	nil nil	nil nil	nil nil	230,000 230,000
Josh Bruni <sup>(2)</sup> Chief Executive Officer, Chief Revenue Officer and Director	2022 2021	274,992 (US\$) 274,992 (US\$)	nil nil	nil nil	nil nil	nil nil	274,992 (US\$) 274,992 (US\$)
Vitali Savitski <sup>(3)</sup> Chief Financial Officer	2022 2021	2,500 n/a	nil n/a	nil n/a	nil n/a	nil n/a	2,500 n/a
Robert Suttie <sup>(3)(4)</sup> Former Chief Financial Officer	2022 2021	27,995 30,540	nil nil	nil nil	nil nil	nil nil	27,995 30,540
Drew Green Chairman and Director	2022 2021	60,000 60,000	nil nil	nil nil	nil nil	nil nil	60,000 60,000
Ruslan Elensky Director	2022 2021	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Andrew Michrowski <sup>(5)</sup> Director	2022 2021	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Jacinto Vieira <sup>(6)(7)</sup> Director	2022 2021	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Chris Irwin <sup>(8)(9)</sup> Former Director	2022 2021	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Igor Serov <sup>(6)</sup> Former Director	2022 2021	n/a 120,000	n/a nil	n/a nil	n/a nil	n/a nil	n/a 120,000
Anthony Di Benedetto <sup>(5)</sup> Former Director	2022 2021	n/a nil	n/a nil	n/a nil	n/a nil	n/a nil	n/a nil

Notes:

- (1) This table does not include any amount paid as reimbursement for expenses.
- (2) On February 28, 2023 Mr. Serov resigned as Chief Executive Officer and Mr. Bruni was appointed in his stead and as a director. Mr. Serov was appointed as Chief Product Officer. On March 13, 2023, Mr. Serov resigned as Secretary and Ms. Jo-Anne Archibald was appointed in his stead.
- (3) Mr. Suttie resigned as Chief Financial Officer on December 6, 2022 and Mr. Vitali Savitski was appointed in his stead.
- (4) For the year ended December 31, 2022, the Company expensed \$75,678 to Marrelli Support Services Inc., DSA Corporate Services Inc. and DSA Filing Services Limited ("Marrelli Group") for CFO, bookkeeping, regulatory filing and corporate secretarial services to the Company. Mr. Suttie is the Vice President of Marrelli Support Service Inc. During the financial year ended December 31, 2021, the Company expensed \$63,950 to Marrelli Group for CFO, bookkeeping, regulatory filing and corporate secretarial services to the Company.
- (5) Mr. Di Benedetto resigned as a director on March 19, 2021 and Mr. Michrowski was appointed in his stead.
- (6) Mr. Serov resigned as a director on December 24, 2021 and Mr. Vieira was appointed in his stead.
- (7) Mr. Vieira resigned as a director on April 21, 2023.
- (8) During the financial year ended December 31, 2022, Irwin Lowy LLP, a limited liability partnership of which Mr. Irwin is a partner, was paid fees of \$101,081 for legal services. During the financial year ended December 31, 2021, Irwin Lowy LLP was paid fees of \$76,040 for legal services.
- (9) Mr. Irwin resigned as a director on November 2, 2022.



## Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities granted or issued to each Named Executive Officer and to each director of the Company during the most recently completed financial year of the Company for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

COMPENSATION SECURITIES <sup>(1)</sup>							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and % of class <sup>(2)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on the date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Jacinto Vieira <sup>(3)</sup> Director	stock options <sup>(4)</sup>	500,000 stock options representing 500,000 Common Shares representing 0.31% of the outstanding number of Common Shares	January 12, 2022	\$0.10	\$0.095	\$0.04	n/a

Notes:

- (1) No other Named Executive Officers or directors of the Company were issued compensation securities during the most recently completed financial year of the Company.
- (2) Calculated on a partially-diluted basis as at December 31, 2022. As at December 31, 2022 there were 158,756,453 Common Shares outstanding.
- (3) Mr. Vieira resigned as a director on April 21, 2023. In accordance with the Legacy Stock Option Plan, Mr. Vieira's stock options will expire on July 20, 2023, unless extended by the Board.
- (4) The fair value of each stock option at the date of grant was estimated using the Black-Scholes option pricing model to be consistent with the audited consolidated financial statements and included the following assumptions: dividend yield 0%, share price of \$0.10, expected volatility of 130%, a risk-free rate of return of 1.21% and an expected life of 3 years. The options vested immediately upon grant.

None of the Named Executive Officers or directors of the Company exercised any compensation securities during the most recently completed financial year of the Company. As at December 31, 2022, the Named Executive Officers and directors of the Company who had such positions with the Company at such date held compensation securities as set out in the table below:

COMPENSATION SECURITIES HELD BY DIRECTORS AND NAMED EXECUTIVES OFFICERS			
Name and position	Type of compensation security	Number of compensation securities	Number of underlying securities
Dimitry Serov <sup>(1)</sup> President, Chief Product Officer, Treasurer, Director and Former Chief Executive Officer and Secretary	stock options	1,500,000	1,500,000
Josh Bruni Chief Executive Officer, Chief Revenue Officer and Director	stock options	1,500,000	1,500,000
Vitali Savitski Chief Financial Officer	stock options	nil	nil
Drew Green <sup>(2)</sup> Chairman and Director	stock options	2,000,000	2,000,000
Ruslan Elensky Director	stock options	350,000	350,000
Andrew Michrowski Director	stock options	350,000	350,000
Jacinto Vieira <sup>(3)</sup> Director	stock options	500,000	500,000

Notes:

- (1) Held by Serov Holdings Inc., a corporation beneficially owned and controlled by Mr. Serov.
- (2) Held by Drewgreen.ca Inc., a corporation beneficially owned and controlled by Mr. Green.
- (3) Mr. Vieira resigned as a director on April 21, 2023. In accordance with the Legacy Stock Option Plan, Mr. Vieira's stock options will expire on July 20, 2023, unless extended by the Board.

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

### *LTIP*

The Board adopted the LTIP on April 25, 2023. The LTIP is to be approved and adopted by the shareholders at the Meeting. As a result, currently, no Options, RSUs or DSUs are able to be granted under the LTIP. For further details on the LTIP please refer to "*Particulars of Matters to be Acted Upon – Approval of Omnibus Long-Term Incentive Plan*".

### *Legacy Stock Option Plan*

The Company adopted the Legacy Stock Option Plan on April 5, 2018. The number of Common Shares which may be reserved for issue under the Legacy 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, 15,875,645 Options may be reserved for issue pursuant to the Legacy Stock Option Plan, 8,250,000 Options have been issued and are outstanding, and 7,625,645 Options are still available for issue.

The purpose of the Legacy Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, management company employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentives in their efforts on behalf of the Company in the conduct of its affairs. The Legacy Stock Option Plan provides that, subject to the requirements of the CSE, the aggregate number of securities reserved for issuance will be 10% of the number of the Company's Common Shares issued and outstanding at the time such options are granted.

The Legacy Stock Option Plan is administered by the Board, which has full and final authority with respect to the granting of all options thereunder. The Board may terminate the Legacy Stock Option Plan at any time at its absolute discretion (without shareholder approval). If the Legacy Stock Option Plan is terminated, no further options will be granted but the options then outstanding will continue in full force and effect in accordance with the provisions of the Legacy Stock Option Plan, until the time they are exercised, cancelled or surrendered or expire under the terms of the Legacy Stock Option Plan and the applicable option agreements.

The Board may determine, at the time of granting an option to an Eligible Person (as defined in the Legacy Stock Option Plan) pursuant to the Legacy Stock Option Plan, the maximum number of Common Shares that may be exercised by such Eligible Person in each year during the term of the option.

Options may be granted under the Legacy Stock Option Plan to such directors, officers, employees, management or consultants of the Company and its affiliates, if any, as the Board may from time to time designate.

The exercise price of option grants will be determined by the Board on the grant date but will not be less than the minimum exercise price permitted by the CSE, such minimum exercise price being the greater of the closing market prices of the underlying securities on (i) the trading day prior to the date of grant of the Options; and (ii) the date of grant of the Options.

The Legacy Stock Option Plan provides that unless approval of shareholders as required under applicable laws (or the applicable rules and policies of any stock exchange or market on which the shares are listed, if any) is obtained, no options shall be granted to any Employee or Consultant who is an Investor Relations Person, an Associated Consultant, an Executive Officer, a Director (as those terms are defined in the Legacy Stock Option Plan) or permitted assign of these persons if, after the grant of options: (i) the number of securities, calculated on a fully diluted basis, reserved for issuance under options granted to: (A) Related Persons (as that term is defined in the Legacy Stock Option Plan), exceeds 10% of the outstanding securities of the Company, or (B) a Related Person, exceeds 5% of the outstanding securities of the Company, or (ii) the number of securities, calculated on a fully diluted basis, issued within 12 months to: (A) Related Persons, exceeds 10% of the outstanding securities of the Company, or (B) a Related person and associates of the Related Person, exceeds 5% of the outstanding securities of the Company.

No option may be exercised during a Blackout Period (as that term is defined in the Legacy Stock Option Plan) if the participant is then restricted from trading in Common Shares pursuant to any policy of the Company or applicable laws. If an expiry date of an option falls on a date within a Blackout Period or within nine business days following the expiration of a Blackout Period, the expiry date for that option will be automatically extended, without any further act or formality, to that date which is the tenth business day after the end of the Blackout Period.

The Board may amend the Legacy Stock Option Plan, subject to the requirements of any stock exchange or market on which the Common Shares are listed, if any, including any shareholder approval requirements, subject to certain conditions in favour of the option holders.

All options granted under the Legacy Stock Option Plan will expire not later than the date that is ten (10) years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from the date of termination other than for cause; or (iii) one (1) year from the date of death or disability. Options granted under the Legacy Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Unless otherwise determined by the Board or otherwise specified in the relevant option agreement, if a participant ceases to be an Eligible Person, any unvested portion of any option held by that participant will be immediately forfeited as of the date on which a Participant ceases to be an Eligible Person. In the case of an Employee (as defined in the Legacy Stock Option Plan), means the date that is determined by the Board in its sole discretion as the date on which the Employee ceases to actively perform services for the Company or any related entity (excluding any notice period which may extend beyond the date on which active services cease) (the “**Termination Date**”). Each Option held by that Participant will terminate on the earlier of the option expiry date set under the terms of the Legacy Stock Option Plan and: (i) in the case of termination of employment by the Company or a related entity without cause, or the failure of a director standing for election to be re-elected, or the failure by the Company or a related entity to renew a contract for services at the end of its term, the date which is 90 days after the Termination Date; (ii) in the case of the death of the Participant, the date which is one (1) year after the death; (iii) in the case of the disability or retirement of the Participant, the date which is one (1) year after the Termination Date; and (iv) in all other cases, the Termination Date.

In the event of an actual or potential Change of Control (as defined in the Legacy Stock Option Plan), the Board may, in its sole discretion and on the terms it sees fit, but subject to the Board’s determination to terminate or cause the exchange of any options on a Change of Control and the Company giving the affected Participants at least 14 days’ advance notice of the termination or exchange; (i) accelerate the vesting of any unvested options; (ii) cause any options to be terminated; and (iii) cause any options to be exchanged for options or other securities of another entity involved in the Change of Control transaction.

The Company has no equity compensation plans other than the Legacy Stock Option Plan. However, at the Meeting the shareholders will be asked to approve the LTIP as described under the heading “*Particulars of Matters to be Acted Upon – Approval of Omnibus Long-Term Incentive Plan*”. Once approved, the LTIP will replace the Legacy Stock Option Plan and it will cease to exist.

### **Employment, Consulting and Management Agreements**

During the financial year ended December 31, 2022, the Company had in place the following employment, consulting or management agreements between the Company or any subsidiary or affiliate thereof and its Named Executive Officers and directors:

#### ***Dimitry Serov – President, Chief Product Officer, Treasurer and Director***

Mr. Dimitry Serov’s services were paid through an executive contract with the Company dated September 27, 2017, as amended on March 1, 2018 (the “**Serov Agreement**”). The Serov Agreement provides that Mr. Serov will serve as President of the Company and in exchange will be paid a gross annual salary of \$180,000 with a potential bonus of up to \$50,000 to be paid at the end of each calendar year conditional upon the satisfaction by Mr. Serov of performance criteria established by the Board. The Serov Agreement is for an indefinite term, subject to termination in accordance with its terms. The Serov Agreement may be terminated by: (i) Mr. Serov voluntarily on six weeks’

notice to the Company in which case he will be entitled to his base salary, vacation pay and benefits only to the date of termination, provided he shall be entitled to any bonus or incentive award prorated based on active employment by him during the fiscal year in which the termination date occurred for the period up to the termination date based on achievements to the date of termination; (ii) the Company for just cause with no entitlement to any notice payments; (iii) by the Company without cause with a notice period of twenty-four (24) months or severance payment in lieu thereof; or (iv) immediately in the event of death or disability of Mr. Serov. The Company can waive any aforementioned notice periods in favour of the Company. In the event of termination without just cause, Mr. Serov is to be paid a severance payment equal to the base salary he would have been paid during the notice period together with accrued but unpaid vacation entitlements, less any amounts he owes to the Company. Generally, Mr. Serov will be entitled to have his benefits continued throughout the notice period, if the insurer providing the benefits agrees, however, Mr. Serov agrees that the Company may deduct from any payments to be made to Mr. Serov the benefit plan contributions which were regularly made during the term of employment and that the Company's contributions to the benefits shall cease upon Mr. Serov obtaining alternate employment and becoming eligible for alternate benefit coverage with his new employer. Mr. Serov shall also be entitled to any bonus or incentive award prorated based on active employment by him during the fiscal year in which the termination date occurred for the period up to the termination date based on achievements to the date of termination. Any bonus or award payment will be made no later than 30 days following the completion of the audited financial statements for the fiscal year in which the termination date occurs. The Serov Agreement is subject to a non-competition and non-solicitation period of twelve (12) months following the termination of Mr. Serov's employment. Upon termination, Mr. Serov will be deemed to resign as a director.

Mr. Serov resigned as Chief Executive Officer and was appointed Chief Product Officer on February 28, 2023 and a new agreement was executed for his services as Chief Product Officer.

***Robert Suttie – Former Chief Financial Officer***

Mr. Suttie's services were paid through a consulting agreement with the Company and Marrelli Support Services Inc. ("**Marrelli**") dated September 12, 2017 (the "**Suttie Agreement**"). The Suttie Agreement provides for compensation at a rate of \$2,500 per month payable to Marrelli (for the services of Mr. Suttie) and is for an indefinite period of time, subject to termination at any time if either party gives thirty (30) days written notice to the other party. Under the terms of the Suttie Agreement, the Company has agreed to provide Mr. Suttie with incentive Options consistent with and in frequency to other option holders in the next option grant approved by the Company. The Suttie Agreement is subject to a non-solicitation period of twelve (12) months in favour of Marrelli following the termination of the consulting services. If the Company breaches the non-solicitation provision, they agree to pay Marrelli a lump sum payment equal to 24 times the monthly compensation payable under the terms of the Suttie Agreement. In the event of a change in control of the Company, and Marrelli or the Company terminates the Suttie Agreement within 24 months of such change in control, a termination fee in a lump sum payment of \$2,500 shall be payable to Marrelli and any Options granted to Mr. Suttie will immediately vest and be exercisable with the earlier of: (i) the expiry date of the options; or (ii) 12 months after the date on which the Suttie Agreement is terminated.

Mr. Suttie resigned as Chief Financial Officer on December 6, 2022.

***Josh Bruni – Chief Executive Officer, Chief Revenue Officer and Director***

Mr. Bruni's services were paid through an executive contract with the Company dated July 1, 2021 (the "**Bruni Agreement**"). The Bruni Agreement provides for compensation at a rate of US\$22,916 per month and is for an indefinite period of time, subject to termination at any time by either party. Mr. Bruni agrees that, upon notice of termination, he will continue providing services for a period of time of at least sixty (60) days following the notice of termination. If Mr. Bruni terminates the agreement, then, provided that the Company has paid any accrued portion of Mr. Bruni's salary and out-of-pocket expenses incurred prior to the date of termination, the Company will have no further liability or obligation to Mr. Bruni for the payment of any further amounts. Upon termination of the Bruni Agreement, Mr. Bruni will cease to receive benefits as at the effective date of termination. All unexercised options issued to Mr. Bruni will terminate on the effect date of termination in accordance with the terms of the Legacy Stock Option Plan. Under the terms of the Bruni Agreement, the Company has agreed to provide Mr. Bruni with incentive Options consistent with and in frequency to other option holders in the next option grant approved by the Company.

The Bruni Agreement is subject to a non-competition period of twelve (12) months following the termination of Mr. Bruni's employment.

Mr. Bruni was appointed Chief Executive Officer and a director on February 28, 2023.

#### ***Drew Green – Director***

Mr. Green's services as a director and chairman of the Board are paid through a consulting agreement dated November 26, 2019 (the "**Green Agreement**"). The Green Agreement has a term of four (4) years commencing on its effective date and provides compensation to Mr. Green at a rate of \$60,000 per annum plus 2,000,000 Options vesting quarterly at an exercise price of \$0.50 for a term of five (5) years in accordance with the Legacy Stock Option Plan. Mr. Green's annual fees will increase to \$90,000 immediately following a capital raise of the Company in the aggregate minimum of \$20,000,000 in gross proceeds. Under the Green Agreement, the Company agrees to reimburse Mr. Green for all reasonable and receipted out-of-pocket expenses incurred in the performance of his duties. All information acquired by Mr. Green during his appointment is confidential and Mr. Green agrees to not divulge any confidential information concerning the business of the Company to any third party at any time, whether during or after his appointment, save as required by law. The Green Agreement will terminate immediately if, among others, Mr. Green is found not eligible to be a director under the *Business Corporations Act* (Ontario), fails to be elected as a director at an annual meeting of the shareholders or commits any material breach of the terms of the Green Agreement.

#### ***Vitali Savitski – Chief Financial Officer***

Mr. Savitski's services were paid through a temporary executive contract with the Company dated December 16, 2022 (the "**Savitski Agreement**"). The Savitski Agreement provides for compensation at a rate of \$5,000 per month and expires on June 30, 2023 at which point the Company and Mr. Savitski are expected to enter into a new contract.

### **Oversight and Description of Director and Named Executive Officer Compensation**

#### ***Compensation of Directors***

Other than Drew Green, the Company does not pay its directors a fee for acting as directors of the Company. They are, however, entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors of the Company and discretionary bonuses. The Company does, from time to time, grant the directors of the Company Options pursuant to the Legacy Stock Option Plan. There are no other arrangements under which the directors of the Company who are not Named Executive Officers were compensated by the Company or its subsidiaries during the most recently completed financial year end for their services in their capacity as directors of the Company.

#### ***Compensation of Named Executive Officers***

##### *Principles of Executive Compensation*

The Company believes in linking an individual's compensation to his or her performance and contribution as well as to the performance of the Company as a whole. The primary components of the Company's executive compensation are base salary and option-based awards. The Board believes that the mix between base salary and incentives must be reviewed and tailored to each executive based on their role within the organization as well as their own personal circumstances. The overall goal is to successfully link compensation to the interests of the shareholders. The following principles form the basis of the Company's executive compensation program:

1. align the interests of executives and shareholders;
2. attract and motivate executives who are instrumental to the success of the Company and the enhancement of shareholder value;

3. pay for performance;
4. ensure compensation methods have the effect of retaining those executives whose performance has enhanced the Company's long-term value; and
5. connect, if possible, the Company's employees to principles 1 through 4 above.

The Board is responsible for the Company's compensation policies and practices. The Board has the responsibility to review and make recommendations concerning the compensation of the directors of the Company and the Named Executive Officers. The Board also has the responsibility to make recommendations concerning annual bonuses and grants to eligible persons under the Legacy Stock Option Plan. The Board also reviews and approves the hiring of executive officers.

#### Base Salary

The Board approves the salary ranges for the Named Executive Officers. The base salary review for each Named Executive Officer is based on an assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. Comparative data for the Company's peer group is also accumulated from a number of external sources including independent consultants. The Company's policy for determining salary for executive officers of the Company is consistent with the administration of salaries for all other employees.

#### Annual Incentives

The Company is not currently awarding any annual incentives by way of cash bonuses. However, the Board, at its discretion, may award such incentives in order to motivate executives to achieve short-term corporate goals.

The success of Named Executive Officers in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in the determination of their annual bonus. The Board assesses each Named Executive Officer's performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to the needs of the Company that arise on a day-to-day basis. This assessment is used by the Board in developing its recommendations with respect to the determination of annual bonuses for the Named Executive Officers.

#### Compensation and Measurements of Performance

It is the intention of the Board to approve targeted amounts of annual incentives for each Named Executive Officer at the beginning of each financial year. The targeted amounts will be determined by the Board based on a number of factors, including comparable compensation of similar companies.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day-to-day corporate activities, will trigger the award of a bonus payment to the Named Executive Officers. The Named Executive Officers will receive a partial or full incentive payment depending on the number of the predetermined targets met and the Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

#### Long Term Compensation

The Company currently has no long-term incentive plans, other than Options granted from time to time by the Board under the provisions of the Legacy Stock Option Plan. However, at the Meeting the shareholders will be asked to approve the LTIP as described under the heading "*Particulars of Matters to be Acted Upon – Approval of Omnibus Long-Term Incentive Plan*". If approved, the LTIP will replace the Legacy Stock Option Plan.

## Pension Disclosure

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

## Termination and Change of Control Benefits

The Company 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 Company in connection with or related to the retirement, termination or resignation of such person. The Company has not provided any compensation to such persons as a result of a change of control of the Company, its subsidiaries or affiliates. Other than as disclosed in the section entitled “*Employment, Consulting and Management Agreements*” in this Management Information Circular, the Company is not a party to any compensation plan or arrangement with Named Executive Officers or directors of the Company resulting from the resignation, retirement or the termination of employment of such person.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information in respect of the Company’s equity compensation plans under which equity securities of the Company are authorized for issuance, aggregated in accordance with all equity plans previously approved by the Company’s shareholders and all equity plans not approved by the Company’s Shareholders as at the end of the period ended December 31, 2022:

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>	8,250,000	0.19	7,625,645
Equity compensation plans not approved by securityholders	n/a	n/a	n/a
<b>Total</b>	<b>8,250,000</b>	<b>0.19</b>	<b>7,625,645</b>

Notes:

- (1) *The Legacy Stock Option Plan is a “rolling” stock option plan whereby the maximum number of Common Shares that may be reserved for issue pursuant to the Legacy Stock Option Plan will not exceed 10% of the outstanding Common Shares at the time of the stock option grant. As at the date of this Management Information Circular, 15,875,645 Options may be issued under the Legacy Stock Option Plan, 8,250,000 Options are outstanding and an additional 7,625,645 Options are reserved for issue and remain available for future issue under the Legacy Stock Option Plan.*

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, no director, executive officer or principal shareholder of the Company, 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 Company’s most recently completed financial year or in any proposed transaction that has materially affected or will materially affect the Company.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Company or person who acted in such capacity in the last financial year of the Company, or any other individual who at any time during the most recently completed financial year of the Company was a director of the Company or any associate of the Company, is indebted to the Company, 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 Company.

## **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 shareholder meeting. The Company is a “venture issuer” for the purposes of NI 52-110.

### **Audit Committee Charter**

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

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

The Audit Committee members are currently Ruslan Elensky (Chair), Andrew Michrowski and Dimitry Serov, each of whom is a director and financially literate. Messrs. Elensky and Michrowski, are deemed to be “independent” for the purposes of NI 52-110, while Mr. Serov, President, Chief Product Officer and Secretary-Treasurer of the Company, is not considered to be “independent” for the purposes of NI 52-110.

### **Relevant Education and Experience of Audit Committee Members**

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 Company 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 Company’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.

***Ruslan Elensky, Director*** – Mr. Elensky, has served as a Director of American Aires Inc. since September 26, 2017. He is an Entrepreneur, Investor and Philanthropist with years of involvement in starting, growing and exiting businesses. His extensive experience covers a wide variety of industries including Transportation, Retail, Construction and Real Estate with a primary focus on innovations and disruptive technologies.

***Andrew Michrowski, Director*** – Mr. Michrowski holds a Dottore in Architettura diploma from Politecnico di Milano in 1975. He is currently a consultant with an international scientific NGO with special consultative status at the United Nations: Planetary Association for Clean Energy, which focuses on advanced clean energy systems and monitors technological threats. Prior thereto, Mr. Michrowski served as Chief Planner with Indian and Northern Affairs, and previously, he held positions as forecaster, policy analyst and program evaluator with the Secretary of State. He has headed a multi-year Canadian EMF in housing study for the Canada Mortgage and Housing Corporation team.

***Dimitry Serov, President, Chief Product Officer, Treasurer and Director*** – Mr. Serov holds a diploma from St. Petersburg’s College of Economics and Business Management which he obtained in 2003. Mr. Serov has held various sales and management positions in the automotive sector with BMW, Mercedes Benz and Audi where he worked with financial lease models in advising his clients. Since 2012, Mr. Serov served as the Chief Executive



Officer of American Aires Inc. and has experience working with its accountants and financial advisors in analyzing financial statements and understanding the procedures associated with proper accounting for an operating company. Mr. Serov has been actively involved in operating all aspects of the Company's business since 2012 including the preparation of its yearly financial statements.

### **Audit Committee Oversight**

Since the commencement of the Company'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 Company's most recently completed financial year, the Company 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 Company'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 Company, 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 Company or of an affiliate of the Company if a circumstance arises that affects the business or operations of the Company 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 Company);
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 (i) the Company; (ii) an affiliate of the Company if an Audit Committee member becomes a control person of the Company; or (iii) an affiliate of the Company 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 Company or of an affiliate of the Company 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 Company is a "venture issuer" for the purposes of NI 52-110. Accordingly, the Company is relying upon the exemption in section 6.1 of NI 52-110 providing that the Company 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 Company for professional services rendered to the Company during the fiscal years ended December 31, 2022, and December 31, 2021:

Year	Audit Fees <sup>(1)</sup> (\$)	Audit-Related Fees <sup>(2)</sup> (\$)	Tax Fees <sup>(3)</sup> (\$)	All Other Fees <sup>(4)</sup> (\$)
Year ended December 31, 2022	105,000	7,875	6,420	5,750
Year ended December 31, 2021	56,132	2,000	10,256	34,959

Notes:

- (1) Aggregate fees billed for professional services rendered by the auditor for the audit of the Company's annual consolidated financial statements as well as services provided in connection with statutory and regulatory filings.
- (2) Aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the review of quarterly consolidated financial statements and related documents.
- (3) 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.
- (4) Aggregate fees billed for professional services which included accounting advice and association fees.

## REPORT ON CORPORATE GOVERNANCE

The Company 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 Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations.

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

### Board of Directors

The Board currently consists of five (5) 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 Company 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 nominees, Josh Bruni, the Chief Executive Officer and Chief Revenue Officer of the Company, and Dimitry Serov, the President, Chief Product Officer and Secretary-Treasurer of the Company are considered not to be “independent”. The remaining three proposed directors are considered by the Board to be “independent”, within the meaning of NI 52-110. 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 of the Company who currently hold directorships with other reporting issuers:

Name of Director	Reporting Issuer
Dimitry Serov	Trent Capital Corp. and Cranstown Capital Corp.
Drew Green	Emerge Commerce Ltd., Real Luck Group Ltd., Gravitass II Capital Corp., Gravitass III Capital Corp., and Pineapple Financial Inc.

## Board Committees

The Audit Committee is the only committee constituted by the Board. The Audit Committee is composed of three directors as named above, two of whom are “independent”. The operation of the Audit Committee is described in the section entitled “*Audit Committee Information Required in the Information Circular of a Venture Issuer*” in this Management Information Circular.

## 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 Company’s legal counsel to remain up to date with developments in relevant corporate and securities law matters. Additionally, historically Board members who are familiar with the Company and the nature of its business have been nominated.

## 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.

## Compensation

The Board will determine the compensation for the directors and Named Executive Officers of the Company. A summary of the compensation received by the Named Executive Officers and directors of the Company for the fiscal years ended December 31, 2021 and 2022 is provided in this Management Information Circular under the heading: “*Statement of Executive Compensation*”.

## Other Board Committees

The Board has no other committees other than the Audit Committee.

## Assessments

The Board monitors but does not formally assess the effectiveness and contribution of the Board, the Audit Committee and individual Board members. To date, the Board has satisfied itself, through informal discussions that the Board, the Audit Committee and individual Board members are performing effectively.

## OTHER MATTERS

The management of the Company knows of no other matters to come before the Meeting other than as set forth in the Notice of Meeting. **However, if other matters which are not known to the management should properly come before the Meeting, the accompanying form 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 Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Shareholders may contact the Company in order to request copies of: (i) this Management Information Circular; and (ii) the Company's consolidated 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 Company's consolidated financial statements and MD&A for its financial year ended December 31, 2022.

## APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Management Information Circular have been approved, and the delivery of it to each shareholder entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

**DATED** at Toronto, Ontario this 25<sup>th</sup> day of April, 2023.

### BY ORDER OF THE BOARD

*"Josh Bruni"* (signed)

Chief Executive Officer, Chief Revenue  
Officer and Director

**APPENDIX A**  
**AMERICAN AIRES INC.**  
**CHANGE OF AUDITOR REPORTING PACKAGE**  
**TO FOLLOW**

**AMERICAN AIRES INC.  
NOTICE OF CHANGE OF AUDITORS  
PURSUANT TO NATIONAL INSTRUMENT 51-102 (“NI 51-102”)**

**TO: MNP LLP**

**AND TO: AGT PARTNERS LLP**

**AND TO: ONTARIO SECURITIES COMMISSION  
ALBERTA SECURITIES COMMISSION  
BRITISH COLUMBIA SECURITIES COMMISSION**

**RE: NOTICE REGARDING PROPOSED CHANGE OF AUDITOR PURSUANT TO  
NI 51-102**

---

Notice is hereby given that the board of directors and audit committee of American Aires Inc. (the “**Company**”) determined:

1. to approve the removal of MNP LLP (the “**Former Auditor**”), as auditor of the Company; and
2. to engage and appoint AGT Partners LLP (the “**Successor Auditor**”), as auditor of the Company, effective January 3, 2023.

There have been no modified opinions in the Former Auditor’s reports on any of the Company’s financial statements for the two most recently completed fiscal years nor for any period subsequent to the most recently completed fiscal year; and

In the opinion of the Company, prior to the resignation, and as at the date hereof, there were no reportable events as defined in NI 51-102 (Part 4.11).

The contents of this Notice and the termination of the Former Auditor and the proposed appointment of the Successor Auditor were approved by the Audit Committee and the Company’s Board of Directors.

**DATED** at Toronto, Ontario this 10<sup>th</sup> day of January, 2023.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
AMERICAN AIRES INC.**

Per: “Dimitry Serov” (signed)  
Dimitry Serov  
President & Chief Executive Officer



January 10, 2023

Ontario Securities Commission  
British Columbia Securities Commission  
Alberta Securities Commission

**Re: American Aires Inc.  
Notice of Change of Auditor Pursuant to National Instrument NI 51-102 –  
Continuous Disclosure Obligations (“NI 51-102”)**

In accordance with Section 4.11 of National Instrument 51-102, we have reviewed the Corporation’s Notice of Change of Auditor (“the Notice”) dated January 10, 2023. Based on our information as of this date, we agree with the statements contained in the Notice pertaining to our firm.

Yours truly,

A handwritten signature in black ink that reads 'MNP LLP' in a cursive, slightly stylized font.

**Chartered Professional Accountants  
Licensed Public Accountants**



**AGT Partners LLP**  
Chartered Professional Accountants

Tel: 905-266-0287  
Fax: 905-266-1349  
info@agtlp.com

7675 Highway 27, unit 23  
Woodbridge, ON L4L 4M5  
www.agtlp.com

January 10, 2023

British Columbia Securities Commission  
Alberta Securities Commission  
Ontario Securities Commission

Dear Sirs/Madames:

**Change of Auditor of American Aires Inc. (the "Company")**

We acknowledge the receipt of a Notice of Change of Auditors (the "Notice") dated January 10, 2023 given by the Company to ourselves.

Based on our information as of this date, we agree with the statements set out in the Notice.

Yours truly,

*AGT Partners LLP*

AGT Partners LLP  
Chartered Professional Accountants



**APPENDIX B**  
**AMERICAN AIRES INC.**  
**OMNIBUS LONG-TERM INCENTIVE PLAN**  
**TO FOLLOW**

**AMERICAN AIRES INC.**

**OMNIBUS LONG-TERM INCENTIVE PLAN**

AMERICAN AIRES INC. (the “**Corporation**”) hereby establishes an Omnibus Long-Term Incentive Plan for certain qualified directors, officers, employees, consultants and management company employees providing ongoing services to the Corporation and its Affiliates (as defined herein) that can have a significant impact on the Corporation’s long-term results.

**ARTICLE 1 - DEFINITIONS**

**Section 1.1 Definitions.**

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings, respectively, unless the context otherwise requires:

“**Affiliates**” has the meaning given to this term in the *Securities Act* (Ontario), as such legislation may be amended, supplemented or replaced from time to time;

“**Awards**” means Options, RSUs and PSUs granted to a Participant pursuant to the terms of the Plan;

“**Award Agreement**” means an Option Agreement, RSU Agreement, PSU Agreement, or an Employment Agreement, as the context requires;

“**Black-Out Period**” means the period of time required by applicable law when, pursuant to any policies or determinations of the Corporation, securities of the Corporation may not be traded by Insiders or other specified persons;

“**Board**” means the board of directors of the Corporation as constituted from time to time;

“**Broker**” has the meaning ascribed thereto in Section 7.5(2) hereof;

“**Business Day**” means a day other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Toronto, Ontario, Canada for the transaction of banking business;

“**Cancellation**” has the meaning ascribed thereto in Section 2.5(1) hereof;

“**Cash Equivalent**” means in the case of Share Units, the amount of money equal to the Market Value multiplied by the number of vested Share Units in the Participant’s Account, net of any applicable taxes in accordance with Section 7.5, on the Share Unit Settlement Date;

“**Change of Control**” means unless the Board determines otherwise, the happening, in a single transaction or in a series of related transactions, of any of the following events:

- (a) any transaction (other than a transaction described in clause (b) below) pursuant to which any person or group of persons acting jointly or in concert acquires the direct or indirect beneficial ownership of securities of the Corporation representing 50% or more of the aggregate voting power of all of the Corporation’s then issued and outstanding securities entitled to vote in the election of directors of the Corporation, other than any such acquisition that occurs (A) upon the exercise or settlement of options or other securities granted by the Corporation under any of the Corporation’s equity incentive plans; or (B) as a result of the conversion of the multiple voting shares in the capital of the Corporation into Shares;

- (b) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Corporation and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Corporation immediately prior thereto do not beneficially own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such amalgamation, merger, consolidation or similar transaction, or (B) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such arrangement, amalgamation merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Corporation immediately prior to such transaction;
- (c) the sale, lease, exchange, license or other disposition of all or substantially all of the Corporation's assets to a person other than a person that was an Affiliate of the Corporation at the time of such sale, lease, exchange, license or other disposition, other than a sale, lease, exchange, license or other disposition to an entity, more than 50% of the combined voting power of the voting securities of which are beneficially owned by shareholders of the Corporation in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Corporation immediately prior to such sale, lease, exchange, license or other disposition;
- (d) the passing of a resolution by the Board or shareholders of the Corporation to substantially liquidate the assets of the Corporation or wind up the Corporation's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding - up or re - arrangement (except where such re - arrangement is part of a bona fide reorganization of the Corporation in circumstances where the business of the Corporation is continued and the shareholdings remain substantially the same following the re - arrangement); or
- (e) individuals who, on the effective date, are members of the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board;

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended from time to time and the Treasury Regulations promulgated thereunder;

"**Code of Ethics**" means any code of ethics adopted by the Corporation, as modified from time to time;

"**Corporation**" means American Aires Inc., a corporation existing under the *Business Corporations Act* (Ontario), as amended from time to time;

"**CSE**" means the Canadian Securities Exchange;

"**Dividend Share Units**" has the meaning ascribed thereto in Section 5.2 hereof;

"**Eligible Participants**" has the meaning ascribed thereto in Section 2.4(1) hereof;

"**Employment Agreement**" means, with respect to any Participant, any written employment agreement between the Corporation or an Affiliate and such Participant;

"**Exercise Notice**" means a notice in writing signed by a Participant and stating the Participant's intention to exercise a particular Award, if applicable;

"**Exercise Price**" has the meaning ascribed thereto in Section 3.2(1) hereof;

"**Expiry Date**" has the meaning ascribed thereto in Section 3.4 hereof;

“**Insider**” has the meaning attributed thereto in the *Securities Act* (Ontario);

“**Market Value**” means at any date when the market value of Shares of the Corporation is to be determined, the three - day volume weighted average trading price of the Shares on the Trading Day prior to the date of grant on the principal stock exchange on which the Shares are listed, or if the Shares of the Corporation are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith;

“**Non - Employee Directors**” means members of the Board who, at the time of execution of an Award Agreement, if applicable, and at all times thereafter while they continue to serve as a member of the Board, are not officers, senior executives or other employees of the Corporation or a Subsidiary, consultants or service providers providing ongoing services to the Corporation or its Affiliates;

“**Option**” means an option granted to the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Exercise Price, but subject to the provisions hereof;

“**Option Agreement**” means a written notice from the Corporation to a Participant evidencing the grant of Options and the terms and conditions thereof, substantially in the form set out in Appendix “A”, or such other form as the Board may approve from time to time;

“**Participants**” means Eligible Participants that are granted Awards under the Plan;

“**Participant’s Account**” means an account maintained to reflect each Participant’s participation in RSUs and/or PSUs under the Plan;

“**Performance Criteria**” means criteria established by the Board which, without limitation, may include criteria based on the Participant’s personal performance and/or the financial performance of the Corporation and/or of its Affiliates, and that may be used to determine the vesting of the Awards, when applicable;

“**Performance Period**” means the period determined by the Board pursuant to Section 4.4 hereof;

“**Person**” means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body, and pronouns which refer to a Person shall have a similarly extended meaning;

“**Plan**” means this Omnibus Long-Term Incentive Plan, as amended and restated from time to time;

“**PSU**” means a right awarded to a Participant to receive a payment in the form of Shares as provided in Article 4 hereof and subject to the terms and conditions of this Plan;

“**PSU Agreement**” means a written notice from the Corporation to a Participant evidencing the grant of PSUs and the terms and conditions thereof, substantially in the form of Appendix “C”, or such other form as the Board may approve from time to time;

“**Restriction Period**” means the period determined by the Board pursuant to Section 4.3 hereof;

“**RSU**” means a right awarded to a Participant to receive a payment in the form of Shares as provided in Article 4 hereof and subject to the terms and conditions of this Plan;

“**RSU Agreement**” means a written notice from the Corporation to a Participant evidencing the grant of RSUs and the terms and conditions thereof, substantially in the form of Appendix “B”, or such other form as the Board may approve from time to time;

“**Share Compensation Arrangement**” means a stock option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more employees, directors, officers or insiders of the Corporation or a Subsidiary. For greater certainty, a “**Share Compensation Arrangement**” does not include a security - based compensation arrangement used as an inducement to person(s) or company(ies) not previously employed by and not previously an insider of the Corporation;

“**Shares**” means the common shares in the capital of the Corporation;

“**Share Unit**” means a RSU or PSU, as the context requires;

“**Share Unit Settlement Date**” has the meaning determined in Section 4.6(1)(a);

“**Share Unit Settlement Notice**” means a notice by a Participant to the Corporation electing the desired form of settlement of vested RSUs or PSUs;

“**Share Unit Vesting Determination Date**” has the meaning described thereto in Section 4.5 hereof;

“**Stock Exchange**” means the CSE or the TSX, as applicable from time to time;

“**Subsidiary**” means a corporation, company, partnership or other body corporate that is controlled, directly or indirectly, by the Corporation;

“**Successor Corporation**” has the meaning ascribed thereto in Section 6.1(2) hereof;

“**Surrender**” has the meaning ascribed thereto in Section 3.6(3);

“**Surrender Notice**” has the meaning ascribed thereto in Section 3.6(3);

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

“**Termination Date**” means the date on which a Participant ceases to be an Eligible Participant;

“**Trading Day**” means any day on which the Stock Exchange is opened for trading;

“**TSX**” means the Toronto Stock Exchange;

“**United States**” means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;

“**U.S. Participant**” means any Participant who is a United States citizen or United States resident alien as defined for purposes of Section 7701(b)(1)(A) of the Code or for whom an Award is otherwise subject to taxation under the Code; and

“**U.S. Securities Act**” means the U.S. Securities Act of 1933, as amended.

## **ARTICLE 2 - PURPOSE AND ADMINISTRATION OF THE PLAN; GRANTING OF AWARDS**

### **Section 2.1 Purpose of the Plan.**

The purpose of this Plan is to advance the interests of the Corporation by: (i) providing Eligible Participants with additional incentives; (ii) encouraging stock ownership by such Eligible Participants; (iii) increasing the proprietary interest of Eligible Participants in the success of the Corporation; (iv) promoting growth and profitability of the Corporation; (v) encouraging Eligible Participants to take into account long-term corporate performance; (vi) rewarding Eligible Participants for sustained contributions to the Corporation and/or significant performance achievements of the Corporation; and (vii) enhancing the Corporation’s ability to attract, retain and motivate Eligible Participants.

**Section 2.2 Implementation and Administration of the Plan.**

- (1) Subject to Section 2.3, this Plan will be administered by the Board.
- (2) Subject to the terms and conditions set forth in this Plan, the Board is authorized to provide for the granting, exercise and method of exercise of Awards, all at such times and on such terms (which may vary between Awards granted from time to time) as it determines. In addition, the Board has the authority to (i) construe and interpret this Plan and all certificates, agreements or other documents provided or entered into under this Plan; (ii) prescribe, amend and rescind rules and regulations relating to this Plan; and (iii) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board will be binding on all Participants and on their legal, personal representatives and beneficiaries.
- (3) No member of the Board will be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of this Plan, any Award Agreement or other document or any Awards granted pursuant to this Plan.
- (4) The day - to - day administration of the Plan may be delegated to such committee of the Board and/or such officers and employees of the Corporation as the Board determines from time to time.
- (5) Subject to the provisions of this Plan, the Board has the authority to determine the limitations, restrictions and conditions, if any, applicable to the exercise of an Award.

**Section 2.3 Delegation to Committee.**

Despite Section 2.2 or any other provision contained in this Plan, the Board has the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board and/or to any member of the Board. In such circumstances, all references to the Board in this Plan include reference to such committee and/or member of the Board, as applicable.

**Section 2.4 Eligible Participants.**

- (1) The Persons who shall be eligible to receive Awards (“**Eligible Participants**”) shall be the bona fide directors, officers, senior executives, consultants, management company employees and other employees of the Corporation or a Subsidiary, providing ongoing services to the Corporation and its Affiliates.
- (2) Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant’s relationship, employment or appointment with the Corporation.
- (3) Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee of employment or appointment by the Corporation.

**Section 2.5 Shares Subject to the Plan.**

- (1) Subject to adjustment pursuant to provisions of Article 6 hereof, the total number of Shares reserved and available for grant and issuance pursuant to Awards under the Plan shall not exceed 20% of the total issued and outstanding Shares from time to time or such other number as may be approved by the Stock Exchange and the shareholders of the Corporation from time to time. For the purposes of this Section 2.5(1), in the event that the Corporation cancels or purchases to cancel any of its issued and outstanding Shares (“**Cancellation**”) and as a result of such Cancellation the Corporation exceeds the limit set out in this Section

2.5(1), no approval of the Corporation's shareholders will be required for the issuance of Shares on the exercise of any Options which were granted prior to such Cancellation.

- (2) Shares in respect of which an Award is granted under the Plan, but not exercised prior to the termination of such Award or not vested or settled prior to the termination of such Award due to the expiration, termination, cancellation or lapse of such Award, shall be available for Awards to be granted thereafter pursuant to the provisions of the Plan. All Shares issued pursuant to the exercise or the vesting of the Awards granted under the Plan shall be so issued as fully paid and non-assessable Shares.

### **Section 2.6 Participation Limits.**

Subject to adjustment pursuant to provisions of Article 6 hereof, the aggregate number of Shares (i) issued to Insiders under the Plan or any other proposed or established Share Compensation Arrangement within any one - year period and (ii) issuable to Insiders at any time under the Plan or any other proposed or established Share Compensation Arrangement, shall in each case not exceed 20% of the total issued and outstanding Shares from time to time.

## **ARTICLE 3 - OPTIONS**

### **Section 3.1 Nature of Options.**

An Option is an option granted by the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Exercise Price, subject to the provisions hereof.

### **Section 3.2 Option Awards.**

- (1) The Board shall, from time to time, in its sole discretion, (i) designate the Eligible Participants who may receive Options under the Plan, (ii) determine the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted, (iii) determine the price per Share to be payable upon the exercise of each such Option (the "**Exercise Price**"), (iv) determine the relevant vesting provisions (including Performance Criteria, if applicable) and (v) determine the Expiry Date, the whole subject to the terms and conditions prescribed in this Plan, in any Option Agreement and any applicable rules of the Stock Exchange.
- (2) Subject to the terms of any Employment Agreement or other agreement between the Participant and the Corporation, or the Board expressly providing to the contrary, and except as otherwise provided in an Option Agreement, each Option shall vest as to 1/3 on the date of grant, 1/3 on the first anniversary of the date of grant, and 1/3 on the second anniversary of the date of grant.

### **Section 3.3 Exercise Price.**

The Exercise Price for Shares that are the subject of any Option shall not be less than the Market Value of such Shares at the time of grant. The Exercise Price shall be fixed by the Board when such Option is granted, but, as long as the Shares are traded on a Stock Exchange, shall not be less than the greater of the closing market price of the Shares on (a) the Trading Day prior to the date of grant of the Option; and (b) the date of grant of the Option.

### **Section 3.4 Expiry Date; Blackout Period.**

Subject to Section 6.2, each Option must be exercised no later than 10 years after the date the Option is granted or such shorter period as set out in the Participant's Option Agreement, at which time such Option will expire (the "**Expiry Date**"). Notwithstanding any other provision of this Plan, each Option that would expire during a Black-Out Period shall expire on the date that is 10 Business Days immediately following the expiration of the Black-Out Period.

**Section 3.5 Exercise of Options.**

- (1) Subject to the provisions of this Plan, a Participant shall be entitled to exercise an Option granted to such Participant, subject to vesting limitations which may be imposed by the Board at the time such Option is granted.
- (2) Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable as to all or such part or parts of the optioned Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board may determine in its sole discretion.
- (3) No fractional Shares will be issued upon the exercise of Options granted under this Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise of an Option, or from an adjustment pursuant to Section 6.1, such Participant will only have the right to acquire the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

**Section 3.6 Method of Exercise and Payment of Purchase Price.**

- (1) Subject to the provisions of the Plan and the alternative exercise procedures set out herein, an Option granted under the Plan may be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering an Exercise Notice to the Corporation in the form and manner determined by the Board from time to time, together with cash, a bank draft or certified cheque in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Options and any applicable tax withholdings.
- (2) Pursuant to the Exercise Notice and subject to the approval of the Board, a Participant may choose to undertake a “cashless exercise” with the assistance of a broker in order to facilitate the exercise of such Participant’s Options. The “cashless exercise” procedure may include a sale of such number of Shares as is necessary to raise an amount equal to the aggregate Exercise Price for all Options being exercised by that Participant under an Exercise Notice and any applicable tax withholdings. Pursuant to the Exercise Notice, the Participant may authorize the broker to sell Shares on the open market by means of a short sale and forward the proceeds of such short sale to the Corporation to satisfy the Exercise Price and any applicable tax withholdings, promptly following which the Corporation shall issue the Shares underlying the number of Options as provided for in the Exercise Notice.
- (3) In addition, in lieu of exercising any vested Option in the manner described in this Section 3.6(1) or Section 3.6(2), and pursuant to the terms of this Article 3, a Participant may, by surrendering an Option (“**Surrender**”) with a properly endorsed notice of Surrender to the Corporate Secretary of the Corporation, substantially in the form of Schedule “B” to the Option Agreement (a “**Surrender Notice**”), elect to receive that number of Shares calculated using the following formula:

$$X = (Y * (A - B)) / A$$

Where:

X = the number of Shares to be issued to the Participant upon exercising such Options; provided that if the foregoing calculation results in a negative number, then no Shares shall be issued

Y = the number of Shares underlying the Options to be Surrendered

A = the Market Value of the Shares as at the date of the Surrender



B = the Exercise Price of such Options

- (4) Upon the exercise of an Option pursuant to Section 3.6(1) or Section 3.6(3), the Corporation shall, as soon as practicable after such exercise but no later than 10 Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to deliver to the Participant such number of Shares as the Participant shall have then paid for and as are specified in such Exercise Notice.

#### ARTICLE 4 - SHARE UNITS

##### Section 4.1 Nature of Share Units.

A Share Unit is an Award entitling the recipient to acquire Shares, at such purchase price (which may be zero) as determined by the Board, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre - established performance goals and objectives. Unless otherwise determined by the Board in its discretion, an Award of a Share Unit is considered a bonus for services rendered in the calendar year in which the Award is made.

##### Section 4.2 Share Unit Awards.

- (1) Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time, in its sole discretion, (i) designate the Eligible Participants who may receive RSUs and/or PSUs under the Plan, (ii) fix the number of RSUs and/or PSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs and/or PSUs shall be granted, and (iii) determine the relevant conditions and vesting provisions (including, in the case of PSUs, the applicable Performance Period and Performance Criteria, if any) and Restriction Period of such RSUs and/or PSUs, the whole subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.
- (2) It is intended that the RSUs and PSUs not be treated as a “salary deferral arrangement” as defined in the Tax Act by reason of the applicable provision thereof.
- (3) Subject to the vesting and other conditions and provisions set forth herein and in the RSU Agreement and/or PSU Agreement, the Board shall determine whether each RSU and/or PSU awarded to a Participant shall entitle the Participant: (i) to receive one Share issued from treasury; (ii) to receive the Cash Equivalent of one Share; or (iii) to elect to receive either one Share from treasury, the Cash Equivalent of one Share or a combination of cash and Shares.
- (4) Share Units shall be settled by the Participant at any time beginning on the first Business Day following their Share Unit Vesting Determination Date but no later than the Restriction Period.
- (5) Unless otherwise specified in the RSU Agreements, 1/3 of RSUs awarded pursuant to a RSU Agreement shall vest on the date of grant, 1/3 on the first anniversary of the date of grant, and 1/3 on the second anniversary of the date of grant.
- (6) Each Non - Employee Director may elect to receive all or a portion his or her annual retainer fee in the form of a grant of RSUs in each fiscal year. The number of RSUs shall be calculated as the amount of the Non - Employee Director’s annual retainer fee elected to be paid by way of RSUs divided by the Market Value. At the discretion of the Board, fractional RSUs will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

#### **Section 4.3 Restriction Period Applicable to Share Units.**

The applicable restriction period in respect of a particular Share Unit shall be determined by the Board but in all cases shall end no later than December 31 of the calendar year which is three (3) years after the calendar year in which the Award is granted (“**Restriction Period**”). For example, the Restriction Period for a grant made in June 2023 shall end no later than December 31, 2026. Subject to the Board’s determination, any vested Share Units with respect to a Restriction Period will be paid to Participants in accordance with Article 4, no later than the end of the Restriction Period. Unless otherwise determined by the Board, all unvested Share Units shall be cancelled on the Share Unit Vesting Determination Date (as such term is defined in Section 4.5) and, in any event, no later than the last day of the Restriction Period.

#### **Section 4.4 Performance Criteria and Performance Period Applicable to PSU Awards.**

- (1) For each award of PSUs, the Board shall establish the period in which any Performance Criteria and other vesting conditions must be met in order for a Participant to be entitled to receive Shares in exchange for all or a portion of the PSUs held by such Participant (the “**Performance Period**”), provided that such Performance Period may not expire after the end of the Restriction Period, being no longer than three (3) years after the calendar year in which the Award was granted. For example, a Performance Period determined by the Board to be for a period of three financial years will start on the first day of the financial year in which the award is granted and will end on the last day of the second financial year after the year in which the grant was made. In such a case, for a grant made on January 4, 2023, the Performance Period will start on January 1, 2023 and will end on December 31, 2025.
- (2) For each award of PSUs, the Board shall establish any Performance Criteria and other vesting conditions in order for a Participant to be entitled to receive Shares in exchange for his or her PSUs.

#### **Section 4.5 Share Unit Vesting Determination Date.**

The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to a RSU and/or PSU have been met (the “**Share Unit Vesting Determination Date**”), and as a result, establishes the number of RSUs and/or PSUs that become vested, if any. For greater certainty, the Share Unit Vesting Determination Date in respect of Share Units must fall after the end of the Performance Period, if applicable, but no later than the last day of the Restriction Period.

#### **Section 4.6 Settlement of Share Unit Awards.**

- (1) Subject to the terms of any Employment Agreement or other agreement between the Participant and the Corporation, or the Board expressly providing to the contrary, and except as otherwise provided in a RSU Agreement and/or PSU Agreement, in the event that the vesting conditions, the Performance Criteria and Performance Period, if applicable, of a Share Unit are satisfied:
  - (a) all of the vested Share Units covered by a particular grant may, subject to Section 4.6(4), be settled at any time beginning on the first Business Day following their Share Unit Vesting Determination Date but no later than the date that is five years from their Share Unit Vesting Determination Date (the “**Share Unit Settlement Date**”); and
  - (b) a Participant is entitled to deliver to the Corporation, on or before the Share Unit Settlement Date, a Share Unit Settlement Notice in respect of any or all vested Share Units held by such Participant.
- (2) Subject to Section 4.6(4), settlement of Share Units shall take place promptly following the Share Unit Settlement Date and take the form set out in the Share Unit Settlement Notice through:

- (a) in the case of settlement of Share Units for their Cash Equivalent, delivery of a bank draft, certified cheque or other acceptable form of payment to the Participant representing the Cash Equivalent;
  - (b) in the case of settlement of Share Units for Shares, delivery of Shares to the Participant; or
  - (c) in the case of settlement of the Share Units for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.
- (3) If a Share Unit Settlement Notice is not received by the Corporation on or before the Share Unit Settlement Date, settlement shall take the form of Shares issued from treasury as set out in Section 4.7(2).
- (4) Notwithstanding any other provision of this Plan, in the event that a Share Unit Settlement Date falls during a Black-Out Period and the Participant has not delivered a Share Unit Settlement Notice, then such Share Unit Settlement Date shall be automatically extended to the 10th Business Day following the date that such Black-Out Period is terminated. Where a Share Unit Settlement Date falls immediately after a Black-Out Period, and for greater certainty, not later than 10 Business Days after the Black-Out Period, then the Share Unit Settlement Date will be automatically extended by such number of days equal to 10 Business Days less the number of Business Days that a Share Unit Settlement Date is after the Black-Out Period.

**Section 4.7 Determination of Amounts.**

- (1) Cash Equivalent of Share Units. For purposes of determining the Cash Equivalent of Share Units to be made pursuant to Section 4.6, such calculation will be made on the Share Unit Settlement Date and shall equal the Market Value on the Share Unit Settlement Date multiplied by the number of vested Share Units in the Participant's Account which the Participant desires to settle in cash pursuant to the Share Unit Settlement Notice.
- (2) Payment in Shares; Issuance of Shares from Treasury. For the purposes of determining the number of Shares from treasury to be issued and delivered to a Participant upon settlement of Share Units pursuant to Section 4.6, such calculation will be made on the Share Unit Settlement Date and be the whole number of Shares equal to the whole number of vested Share Units then recorded in the Participant's Account which the Participant desires to settle pursuant to the Share Unit Settlement Notice. Shares issued from treasury will be issued in consideration for the past services of the Participant to the Corporation and the entitlement of the Participant under this Plan in respect of such Share Units settled for Shares shall be satisfied in full by such issuance of Shares.

**Section 4.8 Share Unit Award Agreements.**

Share Unit Awards shall be evidenced by an Award Agreement in such form not inconsistent with the Plan as the Board may from time to time determine. The Award Agreement may contain any such terms that the Corporation considers necessary in order to ensure that the Share Unit will comply with any provisions respecting restricted share units in the Tax Act or any other laws in force in any country or jurisdiction of which the Participant may from time to time be resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

## ARTICLE 5 - GENERAL CONDITIONS

### Section 5.1 General Conditions applicable to Awards.

Each Award, as applicable, shall be subject to the following conditions:

- (1) Employment - The granting of an Award to a Participant shall not impose upon the Corporation or a Subsidiary any obligation to retain the Participant in its employ in any capacity. For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Corporation to grant any awards in the future nor shall it entitle the Participant to receive future grants.
- (2) Rights as a Shareholder - Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards until the date of issuance of a share certificate to such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) or the entry of such person's name on the share register for the Shares. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such share certificate is issued or entry of such person's name on the share register for the Shares.
- (3) Conformity to Plan - In the event that an Award is granted or an Award Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.
- (4) Non - Transferability - Except as set forth herein, Awards are not transferable. Awards may be exercised only upon the Participant's death, by the legal representative of the Participant's estate, provided that any such legal representative shall first deliver evidence satisfactory to the Corporation of entitlement to exercise any Award. A person exercising an Award may subscribe for Shares only in the person's own name or in the person's capacity as a legal representative.

### Section 5.2 Dividend Share Units.

When dividends (other than stock dividends) are paid on Shares, Participants shall receive additional RSUs and/or PSUs, as applicable ("**Dividend Share Units**") as of the dividend payment date. The number of Dividend Share Units to be granted to the Participant shall be determined by multiplying the aggregate number of RSUs and/or PSUs, as applicable, held by the Participant on the relevant record date by the amount of the dividend paid by the Corporation on each Share, and dividing the result by the Market Value on the dividend payment date, which Dividend Share Units shall be in the form of RSUs and/or PSUs, as applicable. Dividend Share Units granted to a Participant in accordance with this Section 5.2 shall be subject to the same vesting conditions applicable to the related RSUs and/or PSUs. For greater certainty, any Dividend Share Units shall be counted towards the total number of Shares reserved and available for grant and issuance pursuant to Awards under the Plan in accordance with Section 2.5(1).

### Section 5.3 Termination of Employment.

- (1) Subject to a written Employment Agreement of a Participant and as otherwise determined by the Board, each Share Unit and Option shall be subject to the following conditions:
  - (a) Termination for Cause. Upon a Participant ceasing to be an Eligible Participant for "cause", all unexercised vested or unvested Share Units and Options granted to such Participant shall terminate on the effective date of the termination as specified in the notice of termination. For the purposes of the Plan, the determination by the Corporation that the Participant was discharged for cause

shall be binding on the Participant. "Cause" shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the Corporation's Code of Ethics and any reason determined by the Corporation to be cause for termination.

- (b) Retirement. In the case of a Participant's retirement, any unvested Share Units and/or Options held by the Participant as at the Termination Date will continue to vest in accordance with their vesting schedules, and all vested Share Units and Options held by the Participant at the Termination Date may be exercised until the earlier of the expiry date of such Share Units and Options or one year following the Termination Date, provided that if the Participant is determined to have breached any post - employment restrictive covenants in favour of the Corporation, then any Share Units and/or Options held by the Participant, whether vested or unvested, will immediately expire and the Participant shall pay to the Corporation any "in - the - money" amounts realized upon exercise of Share Units and/or Options following the Termination Date.
  - (c) Resignation. In the case of a Participant ceasing to be an Eligible Participant due to such Participant's resignation, subject to any later expiration dates determined by the Board, all Share Units and Options shall expire on the earlier of 90 days after the effective date of such resignation, or the expiry date of such Share Unit or Option, to the extent such Share Unit or Option was vested and exercisable by the Participant on the effective date of such resignation and all unexercised unvested Share Units and/or Options granted to such Participant shall terminate on the effective date of such resignation.
  - (d) Termination or Cessation. In the case of a Participant ceasing to be an Eligible Participant for any reason (other than for "cause", resignation or death) the number of Share Units and/or Options that may vest is subject to pro ration over the applicable vesting or performance period and shall expire on the earlier of 90 days after the effective date of the Termination Date, or the expiry date of such Share Units and Options. For greater certainty, the pro ration calculation referred to above shall be net of previously vested Share Units and/or Options.
  - (e) Death. If a Participant dies while in his or her capacity as an Eligible Participant, all unvested Share Units and Options will immediately vest and all Share Units and Options will expire 180 days after the death of such Participant.
  - (f) Change of Control. If a participant is terminated without "cause" or resigns for good reason during the 12 month period following a Change of Control, or after the Corporation has signed a written agreement to effect a change of control but before the change of control is completed, then any unvested Share Units and/or Options will immediately vest and may be exercised prior to the earlier of 30 days of such date or the expiry date of such Options.
- (2) For the purposes of this Plan, a Participant's employment with the Corporation or an Affiliate is considered to have terminated effective on the last day of the Participant's actual and active employment with the Corporation or Affiliate, whether such day is selected by agreement with the individual, unilaterally by the Corporation or Affiliate and whether with or without advance notice to the Participant. For the avoidance of doubt, no period of notice, if any, or payment instead of notice that is given or that ought to have been given under applicable law, whether by statute, imposed by a court or otherwise, in respect of such termination of employment that follows or is in respect of a period after the Participant's last day of actual and active employment will be considered as extending the Participant's period of employment for the purposes of determining his entitlement under this Plan.

- (3) The Participant shall have no entitlement to damages or other compensation arising from or related to not receiving any awards which would have settled or vested or accrued to the Participant after the date of cessation of employment or if working notice of termination had been given.

#### **Section 5.4      Unfunded Plan.**

Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation. Notwithstanding the foregoing, any determinations made shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the Income Tax Regulations, adopted under the Tax Act or any successor provision thereto.

### **ARTICLE 6 - ADJUSTMENTS AND AMENDMENTS**

#### **Section 6.1      Adjustment to Shares Subject to Outstanding Awards.**

- (1) In the event of any subdivision of the Shares into a greater number of Shares at any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant, at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof, in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such subdivision if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.
- (2) In the event of any consolidation of Shares into a lesser number of Shares at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such consideration if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.
- (3) If at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Shares shall be reclassified, reorganized or otherwise changed, otherwise than as specified in Section 6.1(1) or Section 6.1(2) hereof or, subject to the provisions of Section 6.2(3) hereof, the Corporation shall consolidate, merge or amalgamate with or into another corporation (the corporation resulting or continuing from such consolidation, merger or amalgamation being herein called the “**Successor Corporation**”), the Participant shall be entitled to receive upon the subsequent exercise or vesting of Award, in accordance with the terms hereof and shall accept in lieu of the number of Shares then subscribed for but for the same aggregate consideration payable therefor, the aggregate number of shares of the appropriate class or other securities of the Corporation or the Successor Corporation (as the case may be) or other consideration from the Corporation or the Successor Corporation (as the case may be) that such Participant would have been entitled to receive as a result of such reclassification, reorganization or other change of shares or, subject to the provisions of Section 6.2(3) hereof, as a result of such consolidation, merger or amalgamation, if on the record date of such reclassification, reorganization or other change of shares or the effective date of such consolidation, merger or amalgamation, as the case may be, such Participant had been the registered holder of the number of Shares to which such Participant was immediately theretofore entitled upon such exercise or vesting of such Award.

- (4) If, at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall make a distribution to all holders of Shares or other securities in the capital of the Corporation, or cash, evidences of indebtedness or other assets of the Corporation (excluding an ordinary course dividend in cash or shares, but including for greater certainty shares or equity interests in a subsidiary or business unit of the Corporation or one of its subsidiaries or cash proceeds of the disposition of such a subsidiary or business unit), or should the Corporation effect any transaction or change having a similar effect, then the price or the number of Shares to which the Participant is entitled upon exercise or vesting of Award shall be adjusted to take into account such distribution, transaction or change. The Board shall determine the appropriate adjustments to be made in such circumstances in order to maintain the Participants' economic rights in respect of their Awards in connection with such distribution, transaction or change.

**Section 6.2 Amendment or Discontinuance of the Plan.**

- (1) The Board may amend the Plan or any Award at any time without the consent of the Participants provided that such amendment shall:
- (a) not adversely alter or impair any Award previously granted except as permitted by the provisions of Article 6 hereof;
  - (b) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the Stock Exchange; and
  - (c) be subject to shareholder approval, where required by law, the requirements of the Stock Exchange or the provisions of the Plan, provided that shareholder approval shall not be required for the following amendments and the Board may make any such amendments:
    - (i) amendments of a general “**housekeeping**” or clerical nature that, among others, clarify, correct or rectify any ambiguity, defective provision, error or omission in the Plan;
    - (ii) changes that alter, extend or accelerate the terms of vesting or settlement applicable to any Award;
    - (iii) any amendment regarding the effect of termination of a Participant's employment or engagement;
    - (iv) any amendment to add or amend provisions relating to the granting of cash-settled awards, provision of financial assistance or clawbacks and any amendment to a cash - settled award, financial assistance or clawbacks provisions which are adopted;
    - (v) any amendment regarding the administration of this Plan;
    - (vi) any amendment necessary to comply with applicable law or the requirements of the Stock Exchange or any other regulatory body having authority over the Corporation, this Plan or the shareholders of the Corporation (provided, however, that any Stock Exchange shall have the overriding right in such circumstances to require shareholder approval of any such amendments); and
    - (vii) any other amendment that does not require the shareholder approval under Section 6.2(2).

- (2) Notwithstanding Section 6.2(1)(c), the Board shall be required to obtain shareholder approval to make the following amendments:
  - (a) any change to the maximum number of Shares issuable from treasury under the Plan, except such increase by operation of Section 2.5 and in the event of an adjustment pursuant to Article 6;
  - (b) any amendment which reduces the exercise price of any Award, except in the case of an adjustment pursuant to Article 6;
  - (c) any amendment that would permit the introduction or reintroduction of Non - Employee Directors as Eligible Participants on a discretionary basis or any amendment that increases the limits previously imposed on Non - Employee Director participation;
  - (d) any amendment to remove or to exceed the insider participation limit set out in Section 2.6;
  - (e) any amendment to the amendment provisions of the Plan.
- (3) The Board may, subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment shall not apply for any reason acceptable to the Board.

**Section 6.3 Change of Control.**

- (1) Notwithstanding any other provision of this Plan, in the event of a Change of Control, the surviving, successor or acquiring entity shall assume any Awards or shall substitute similar options or share units for the outstanding Awards, as applicable. If the surviving, successor or acquiring entity does not assume the outstanding Awards or substitute similar options or share units for the outstanding Awards, as applicable, or if the Board otherwise determines in its discretion, the Corporation shall give written notice to all Participants advising that the Plan shall be terminated effective immediately prior to the Change of Control and all Options, RSUs (and related Dividend Share Units) and a specified number of PSUs (and related Dividend Share Units) shall be deemed to be vested and, unless otherwise exercised, settled, forfeited or cancelled prior to the termination of the Plan, shall expire or, with respect to RSUs and PSUs be settled, immediately prior to the termination of the Plan. The number of PSUs which are deemed to be vested shall be determined by the Board, in its sole discretion, having regard to the level of achievement of the Performance Criteria prior to the Change of Control.
- (2) In the event of a Change of Control, the Board has the power to: (i) make such other changes to the terms of the Awards as it considers fair and appropriate in the circumstances, provided such changes are not adverse to the Participants; (ii) otherwise modify the terms of the Awards to assist the Participants to tender into a takeover bid or other arrangement leading to a Change of Control, and thereafter; and (iii) terminate, conditionally or otherwise, the Awards not exercised or settled, as applicable, following successful completion of such Change of Control. If the Change of Control is not completed within the time specified therein (as the same may be extended), the Awards which vest pursuant to this Section 6.3 shall be returned by the Corporation to the Participant and, if exercised or settled, as applicable, the Shares issued on such exercise or settlement shall be reinstated as authorized but unissued Shares and the original terms applicable to such Awards shall be reinstated.



## ARTICLE 7 - MISCELLANEOUS

### Section 7.1 Currency.

Unless otherwise specifically provided, all references to dollars in this Plan are references to Canadian dollars.

### Section 7.2 Compliance and Award Restrictions.

- (1) The Corporation's obligation to issue and deliver Shares under any Award is subject to: (i) the completion of such registration or other qualification of such Shares or obtaining approval of such regulatory authority as the Corporation shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; (ii) the admission of such Shares to listing on any stock exchange on which such Shares may then be listed; and (iii) the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Shares as the Corporation determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction. The Corporation shall take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on any stock exchange on which such Shares are then listed.
- (2) The Participant agrees to fully cooperate with the Corporation in doing all such things, including executing and delivering all such agreements, undertakings or other documents or furnishing all such information as is reasonably necessary to facilitate compliance by the Corporation with such laws, rules and requirements, including all tax withholding and remittance obligations.
- (3) No Awards will be granted where such grant is restricted pursuant to the terms of any trading policies or other restrictions imposed by the Corporation.
- (4) The Corporation is not obliged by any provision of this Plan or the grant of any Award under this Plan to issue or sell Shares if, in the opinion of the Board, such action would constitute a violation by the Corporation or a Participant of any laws, rules and regulations or any condition of such approvals.
- (5) If Shares cannot be issued to a Participant upon the exercise or settlement of an Award due to legal or regulatory restrictions, the obligation of the Corporation to issue such Shares will terminate and, if applicable, any funds paid to the Corporation in connection with the exercise of any Options will be returned to the applicable Participant as soon as practicable.

### Section 7.3 United States Securities Law Matters.

No Awards shall be made in the United States and no Shares shall be issued upon exercise of, or pursuant to, any such Awards in the United States unless such securities are registered under the U.S. Securities Act or any applicable U.S. state securities laws, or an exemption from such registration is available. Any Awards issued in the United States, and any Shares issued upon exercise thereof or pursuant thereto, will be "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act). Any certificate or instrument representing such securities shall bear a legend restricting transfer under applicable United States federal and state securities laws in substantially the following form:

"THE SECURITIES REPRESENTED HEREBY [AND THE SECURITIES ISSUABLE UPON EXERCISE/CONVERSION HEREOF OR PURSUANT HERETO] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE

CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN EACH CASE, IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, AND, IN THE CASE OF TRANSFERS UNDER EITHER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE CORPORATION AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE CORPORATION TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES.”

The Board may require that a Participant provide certain representations, warranties and certifications to the Corporation to satisfy the requirements of applicable securities laws, including without limitation, the registration requirements of the U.S. Securities Act and applicable state securities laws or exemptions or exclusions therefrom.

**Section 7.4 Use of an Administrative Agent and Trustee.**

The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer the Awards granted under the Plan and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. The Corporation and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

**Section 7.5 Tax Withholding.**

- (1) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied by (a) having the Participant elect to have the appropriate number of such Shares sold by the Corporation, the Corporation’s transfer agent and registrar or any trustee appointed by the Corporation pursuant to Section 7.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Corporation, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules.
- (2) The sale of Shares by the Corporation, or by a broker engaged by the Corporation (the “**Broker**”), under Section 7.5(1) or under any other provision of the Plan will be made on the Stock Exchange. The Participant consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares on his behalf and acknowledges and agrees that (i) the number of Shares sold will be, at a minimum, sufficient to fund the withholding obligations net of all selling costs, which costs are the responsibility of the Participant and which the Participant hereby authorizes to be deducted from the proceeds of such sale; (ii) in effecting the sale of any such Shares, the Corporation or the Broker will exercise its sole judgment as to the timing and the manner of sale and will not be obligated to seek or obtain a minimum price; and (iii) neither the Corporation nor the Broker will be liable for any loss arising out of such sale of the Shares including any loss relating to the pricing, manner or timing of the sales or any delay in transferring any Shares to a Participant or otherwise.

- (3) The Participant further acknowledges that the sale price of the Shares will fluctuate with the market price of the Shares and no assurance can be given that any particular price will be received upon any sale.
- (4) Notwithstanding the first paragraph of this Section 7.5, the applicable tax withholdings may be waived where the Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which regulation 100(3) of the regulations of the Tax Act apply.

**Section 7.6 Reorganization of the Corporation.**

The existence of any Awards shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, shares or other securities of the Corporation or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

**Section 7.7 Governing Laws.**

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

**Section 7.8 Severability.**

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

**Section 7.9 Effective Date of the Plan.**

The Plan was approved by the Board and shall take effect as of June 1, 2023.

**ADDENDUM FOR U.S. PARTICIPANTS  
AMERICAN AIRES INC.  
OMNIBUS LONG-TERM INCENTIVE PLAN**

The provisions of this Addendum apply to Awards held by a U.S. Participant. All capitalized terms used in this Addendum but not defined in Section 1 below have the meanings attributed to them in the Plan. The Section references set forth below match the Section references in the Plan. This Addendum shall have no other effect on any other terms and provisions of the Plan except as set forth below.

**1. Definitions**

“**cause**” has the meaning attributed under Section 5.3(1)(a) of the Plan, provided however that the Participant has provided the Corporation (or applicable Subsidiary) with written notice of the acts or omissions constituting grounds for “**cause**” within 90 days of such act or omission and the Corporation (or applicable Subsidiary) shall have failed to rectify, as determined by the Board acting reasonably, any such acts or omissions within 30 days of the Corporation’s (or applicable Subsidiary’s) receipt of such notice.

“**retirement**” means, with respect to a U.S. Participant, a Separation from Service, other than due to death or by action of the Corporation for cause (including if the Corporation determines after the date of the Separation from Service that it could have terminated the U.S. Participant for cause), after the U.S. Participant has attained either (i) age 65 or (ii) age 55 with at least 10 years of service with the Corporation.

“**Separation from Service**” means, with respect to a U.S. Participant, any event that constitutes a “separation from service” as defined under Code Section 409A.

“**Specified Employee**” means a “specified employee” as defined under Code Section 409A.

**2. Expiry Date of Options**

Notwithstanding anything to the contrary in Section 3.4 of the Plan or otherwise, in no event, including as a result of any Black- Out Period or any termination of employment, shall the expiration of any Option issued to a U.S. Participant be extended beyond the original Expiry Date if such Option has an Exercise Price that is less than the Market Value on the date of the proposed extension.

**3. Non - Employee Directors**

A Non - Employee Director who is also a U.S. Participant and wishes to have all or any part of his or her annual retainer fees paid in the form of RSUs shall irrevocably elect such payment form by December 31 of the year prior to the calendar year during which the annual retainer fees are to be earned. Any election made under this Section 3 shall be irrevocable during the calendar year to which it applies, and shall apply to annual retainers earned in future calendar years unless and until the U.S. Participant makes a later election in accordance with the terms of this Section 3 of the Addendum. With respect to the calendar year in which a U.S. Participant becomes a Non - Employee Director, so long as such individual has never previously been eligible to participate in any deferred compensation plan sponsored by the Corporation, such individual may make the election described in this Section 3 of the Addendum within the first 30 days of becoming eligible to participate in the Plan, but solely with respect to the portion of the annual retainer not earned before the date such election is made, all in accordance with Code Section 409A. Notwithstanding anything to the contrary in Article 4 of the Plan and except as otherwise set forth herein, any RSUs issued to a U.S. Participant that is a Non - Employee Director in lieu of retainer fees shall be settled on earlier of (i) the U.S. Participant’s Separation from Service, or (ii) a Change of Control provided that such Change of Control constitutes a “change in control event” within the meaning of Code Section 409A.

#### **4. Settlement of Share Unit Awards**

- (a) Notwithstanding anything to the contrary in Article 4 of the Plan and except as otherwise set forth herein (including Section 3 of this Addendum as applicable to Non - Employee Directors), and unless otherwise provided in the applicable Award Agreement, all of the vested Share Units subject to any RSU or PSU shall be settled as soon as administratively practicable after the applicable Share Unit Vesting Determination Date, and in no event later than March 15 of the calendar following the calendar year in which (i) the relevant vesting date occurs for an RSU or (ii) the relevant Performance Period ends for a PSU.
- (b) Notwithstanding the foregoing but subject to the provisions of the applicable Award Agreement, for a U.S. Participant who is eligible for retirement at any time during the vesting period of an award of Share Units, payments shall be made following Separation from Service in accordance with Section 5.3(1)(b) of the Plan based on the original vesting schedule and subject to compliance with applicable restrictive covenants, but in no event will payment be made later than the later of (i) the end of the calendar year in which the applicable vest date occurs, or (ii) the 15th day of the third calendar month following the calendar month in which the vesting date occurs.
- (c) The Board may permit or require the deferral of any payment of vested Share Units for a U.S. Participant into a deferred compensation arrangement, subject to such rules and procedures as it may establish and in accordance with Code Section 409A, which may include provisions for the payment or crediting of interest or dividend equivalents, including converting such credits into deferred Share Units.
- (d) For the avoidance of doubt, Section 4.6(4) of the Plan shall not apply to any Award issued to a U.S. Participant.

#### **5. Dividend Share Units**

For purposes of clarity, any Dividend Share Units issued to any U.S. Participant shall be settled at the same time as the underlying RSUs or PSUs for which they were awarded.

#### **6. Treatment of Options Upon Death**

For the avoidance of doubt, in the event that a U.S. Participant dies, his or her vested Options shall expire on the earlier of the original expiry date or 180 days after the death of such Participant.

#### **7. Specified Employee**

Notwithstanding anything to the contrary in the Plan or any Award Agreement, to the extent required to avoid accelerated taxation and additional taxes and penalties under Code Section 409A, amounts that would otherwise be payable pursuant to the Plan to a U.S. Participant who is a Specified Employee due to the Specified Employee's Separation from Service shall instead be paid on the first payroll date after the six - month period following the Separation from Service (or the Specified Employee's death, if earlier).

#### **8. Adjustments**

Notwithstanding anything to the contrary in Article 6 of the Plan, any adjustment to an Option held by any U.S. Participant shall be made in compliance with the Code which for the avoidance of doubt may include an adjustment to the number of Shares subject thereto, in addition to an adjustment to the Exercise Price thereof.

#### **9. General**

Notwithstanding any provision of the Plan to the contrary, all provisions of the Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Code Section 409A. If any provision of the Plan contravenes Code Section 409A or could cause the U.S. Participant to incur any tax, interest or penalties under Code Section 409A, the Board may, in its sole discretion and without the U.S. Participant's consent, modify such provision to: (i) comply with, or avoid being subject to, Code Section 409A, or to avoid incurring taxes, interest and penalties under Code Section 409A; and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to the U.S. Participant of the applicable provision without materially increasing the cost to the Corporation or contravening Code Section 409A. However, the Corporation shall have no obligation to modify the Plan or any Share Unit and does not guarantee that Share Units will not be subject to taxes, interest and penalties under

Code Section 409A. Each U.S. Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such U.S. Participant in connection with the Plan or any other plan maintained by the Corporation (including any taxes and penalties under Code Section 409A), and neither the Corporation nor any Subsidiary of the Corporation shall have any obligation to indemnify or otherwise hold such U.S. Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

APPENDIX "A"  
FORM OF OPTION AGREEMENT

[Please note that the following restrictive legend should be included on Options issued in the United States when the underlying securities are not registered under the United States Securities Act of 1933, as amended:

THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN EACH CASE, IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, AND, IN THE CASE OF TRANSFERS UNDER EITHER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE CORPORATION AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE CORPORATION TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES.]

AMERICAN AIRES INC.

OPTION AGREEMENT

This Stock Option Agreement (the "**Option Agreement**") is granted by American Aires Inc. (the "**Corporation**"), in favour of the optionee named below (the "**Optionee**") pursuant to and on the terms and subject to the conditions of the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"). Capitalized terms used and not otherwise defined in this Option Agreement shall have the meanings set forth in the Plan.

The terms of the option (the "**Option**"), in addition to those terms set forth in the Plan, are as follows:

1. Optionee. The Optionee is [●] and the address of the Optionee is currently [●].
2. Number of Shares. The Optionee may purchase up to [●] Shares of the Corporation (the "**Option Shares**") pursuant to this Option, as and to the extent that the Option vests and becomes exercisable as set forth in Section 6 of this Option Agreement.
3. Exercise Price. The exercise price is Cdn\$[●] per Option Share (the "**Exercise Price**").
4. Date Option Granted. The Option was granted on [●].
5. Expiry Date. The Option terminates on [●]. (the "**Expiry Date**").
6. Vesting. The Option to purchase Option Shares shall vest and become exercisable as follows: [●]
7. Exercise of Options. In order to exercise the Option, the Optionee shall notify the Corporation in the form annexed hereto as Schedule "A", whereupon the Corporation shall use reasonable efforts to cause the Optionee to receive a certificate representing the relevant number of fully paid and non - assessable Shares in the Corporation.
8. Transfer of Option. The Option is not transferable or assignable except in accordance with the Plan.
9. Inconsistency. This Option Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this Option Agreement and the Plan, the terms of the Plan shall govern.

10. Severability. Wherever possible, each provision of this Option Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Option Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Option Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
11. Entire Agreement. This Option Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
12. Successors and Assigns. This Option Agreement shall bind and enure to the benefit of the Optionee and the Corporation and their respective successors and permitted assigns.
13. Time of the Essence. Time shall be of the essence of this Agreement and of every part hereof.
14. Governing Law. This Agreement and the Option shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
15. Counterparts. This Option Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this Agreement, the Optionee acknowledges that the Optionee has been provided a copy of and has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

IN WITNESS WHEREOF the parties hereof have executed this Option Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**AMERICAN AIRES INC.**

By: \_\_\_\_\_  
 Name:  
 Title:

\_\_\_\_\_  
 Witness

\_\_\_\_\_  
 [Insert Participant's Name]



**SCHEDULE "A"**  
**ELECTION TO EXERCISE STOCK OPTIONS**

**TO: AMERICAN AIRES INC. (the "Corporation")**

The undersigned Optionee hereby elects to exercise Options granted by the Corporation to the undersigned pursuant to an Award Agreement dated \_\_\_\_\_, 20\_\_\_\_ under the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"), for the number Shares set forth below. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Number of Shares to be Acquired: \_\_\_\_\_

Exercise Price (per Share):

Cdn\$ \_\_\_\_\_

Aggregate Purchase Price:

Cdn\$ \_\_\_\_\_

Amount enclosed that is payable on account of any source deductions relating to this Option exercise (contact the Corporation for details of such amount):

Cdn\$ \_\_\_\_\_

Or check here if alternative arrangements have been made with the Corporation;

and hereby tenders a certified cheque, bank draft or other form of payment confirmed as acceptable by the Corporation for such aggregate purchase price, and, if applicable, all source deductions, and directs such Shares to be registered in the name of \_\_\_\_\_.

I hereby agree to file or cause the Corporation to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to exercise my Options is irrevocable.

The Optionee represents, warrants and certifies as follows (only one of the following must be checked):

- A. Outside the United States. The undersigned holder (a) at the time of exercise of the Options is not in the United States of America, its territories or possessions, any state of the United States or the District of Columbia (collectively, the "United States"), (b) is not exercising such Options on behalf of a person in the United States, and (c) did not execute or deliver this Stock Option Exercise Form in the United States; or
- B. Inside the United States. The undersigned (a) at the time of exercise of these Options is in the "United States," (b) is exercising such Options on behalf of a person in the United States, or (c) did execute or deliver this Stock Option Exercise Form in the United States.

The Optionee understands that unless Box A above is checked and the Shares are registered under applicable United States federal and state securities laws, any certificate representing the Shares may bear a legend restricting transfer without registration under the U.S. Securities Act and applicable state securities laws unless an exemption from registration is available.

**[Signature Page Follows]**

DATED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

---

*Signature of Participant*

---

*Name of Participant (Please Print)*

**SCHEDULE "B" SURRENDER NOTICE**

**TO: AMERICAN AIRES INC. (the "Corporation")**

The undersigned Optionee hereby elects to surrender \_\_\_\_\_ Options granted by the Corporation to the undersigned pursuant to an Award Agreement dated \_\_\_\_\_, 20\_\_\_\_ under the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**") in exchange for Shares as calculated in accordance with Section 3.6(3) of the Plan. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Please issue a certificate or certificates representing the Shares in the name of \_\_\_\_\_.

I hereby agree to file or cause the Corporation to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to surrender my Options is irrevocable.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
*Signature of Participant*

\_\_\_\_\_  
*Name of Participant (Please Print)*

**APPENDIX “B”  
FORM OF RSU AGREEMENT**

[Please note that the following restrictive legend should be included on RSUs and any underlying Shares issued in the United States when the underlying securities are not registered under the United States Securities Act of 1933, as amended:

THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN EACH CASE, IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, AND, IN THE CASE OF TRANSFERS UNDER EITHER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE CORPORATION AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE CORPORATION TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES.]

**AMERICAN AIRES INC.**

**RESTRICTED SHARE UNIT AGREEMENT**

This restricted share unit agreement (“**RSU Agreement**”) is granted by American Aires Inc. (the “**Corporation**”) in favour of the Participant named below (the “**Recipient**”) of the restricted share units (“**RSUs**”) pursuant to the Corporation’s Omnibus Long-Term Incentive Plan (the “**Plan**”). Capitalized terms used and not otherwise defined in this RSU Agreement shall have the meanings set forth in the Plan.

The terms of the RSUs, in addition to those terms set forth in the Plan, are as follows:

1. Recipient. The Recipient is [●] and the address of the Recipient is currently [●].
2. Grant of RSUs. The Recipient is hereby granted [●] RSUs.
3. Restriction Period. In accordance with Section 4.3 of the Plan, the restriction period in respect of the RSUs granted hereunder, as determined by the Board, shall commence on [●] and terminate on [●].
4. Performance Criteria. [●].
5. Performance Period. [●].
6. Vesting. The RSUs will vest as follows: [●].
7. Transfer of RSUs. The RSUs granted hereunder are not transferable or assignable except in accordance with the Plan.
8. Inconsistency. This RSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this RSU Agreement and the Plan, the terms of the Plan shall govern.
9. Severability. Wherever possible, each provision of this RSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this RSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but

this RSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

10. Entire Agreement. This RSU Agreement and the Plan embody the entire agreement.
11. Successors and Assigns. This RSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.
12. Time of the Essence. Time shall be of the essence of this Agreement and of every part hereof.
13. Governing Law. This RSU Agreement and the RSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
14. Counterparts. This RSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this RSU Agreement, the Recipient acknowledges that he or she has been provided with, has read and understands the Plan and this RSU Agreement.

IN WITNESS WHEREOF the parties hereof have executed this RSU Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**AMERICAN AIRES INC.**

By: \_\_\_\_\_

Name:

Title:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
[Insert Participant's Name]

APPENDIX “C”  
FORM OF PSU AGREEMENT

[Please note that the following restrictive legend should be included on PSUs and any underlying Shares issued in the United States when the underlying securities are not registered under the United States Securities Act of 1933, as amended:

THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATIONS UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN EACH CASE, IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, AND, IN THE CASE OF TRANSFERS UNDER EITHER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE CORPORATION AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE CORPORATION TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES.]

AMERICAN AIRES INC.

PERFORMANCE SHARE UNIT AGREEMENT

This performance share unit agreement (“**PSU Agreement**”) is granted by American Aires Inc. (the “**Corporation**”) in favour of the Participant named below (the “**Recipient**”) of the performance share units (“**PSUs**”) pursuant to the Corporation’s Omnibus Long-Term Incentive Plan (the “**Plan**”). Capitalized terms used and not otherwise defined in this PSU Agreement shall have the meanings set forth in the Plan.

The terms of the PSUs, in addition to those terms set forth in the Plan, are as follows:

1. Recipient. The Recipient is [●] and the address of the Recipient is currently [●].
2. Grant of PSUs. The Recipient is hereby granted [●] PSUs.
3. Restriction Period. In accordance with Section 4.3 of the Plan, the restriction period in respect of the PSUs granted hereunder, as determined by the Board, shall commence on [●] and terminate on [●].
4. Performance Criteria. [●].
5. Performance Period. [●].
6. Vesting. The PSUs will vest as follows: [●].
7. Transfer of PSUs. The PSUs granted hereunder are not transferable or assignable except in accordance with the Plan.
8. Inconsistency. This PSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this PSU Agreement and the Plan, the terms of the Plan shall govern.
9. Severability. Wherever possible, each provision of this PSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this PSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this PSU

Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

10. Entire Agreement. This PSU Agreement and the Plan embody the entire agreement.
11. Successors and Assigns. This PSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.
12. Time of the Essence. Time shall be of the essence of this Agreement and of every part hereof.
13. Governing Law. This PSU Agreement and the PSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
14. Counterparts. This PSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this PSU Agreement, the Recipient acknowledges that he or she has been provided with, has read and understands the Plan and this PSU Agreement.

IN WITNESS WHEREOF the parties hereof have executed this PSU Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**AMERICAN AIRES INC.**

By: \_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
[Insert Participant's Name]

**APPENDIX "D"**  
**FORM OF U.S. PARTICIPANT/NON - EMPLOYEE DIRECTOR ELECTION FORM**

**AMERICAN AIRES INC.**

I \_\_\_\_\_ [name] wish to defer 100% of my annual retainer (including any annual retainers or fees for service on committees of the Board) for the calendar year [●] and any future calendar years unless and until I make a new election in accordance with the Plan and the Addendum. I understand that the Share Unit Settlement Date shall be the earlier of (i) my Separation from Service or (ii) a Change of Control in respect of all of such RSUs (including any accumulated Dividend Share Units), all in accordance with and subject to the Plan and the special provisions of the Addendum to the Plan applicable to U.S. Participants.

I understand that this election shall be irrevocable as of the last date in which I am permitted to make such election in accordance with Section 3 of the Addendum to the Plan and I shall only be permitted to revoke or modify this election up to such date. I understand that this election shall apply to any other grants of RSUs that I may be granted in the future (if any) in respect of any retainer fees payable in future calendar years (and will become irrevocable as of December 31 of the prior calendar year) until I make a later election, which election shall be made no later than the date set forth in Section 3 of the Addendum to the Plan.

All capitalized terms not defined in this Election Form have the meaning set out in the Plan.

I understand and agree that the granting and settlement of RSUs are subject to the terms and conditions of the Plan which are incorporated into and form a part of this Election Form.

\_\_\_\_\_  
Non-Employee Director Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Date



## APPENDIX C

### AMERICAN AIRES INC.

#### CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

This Charter establishes the composition, authority, roles and responsibilities and the general objectives of the Company's audit committee, or its Board of Directors (the "**Board**") in lieu thereof (the "**Audit Committee**"). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

#### 1. Composition

- (a) *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Company, at least half of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- (b) *Chair.* Audit Committee members will appoint a chair of the Audit Committee (the "**Chair**") to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) *Financially Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

#### 2. Meetings

- (a) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) *Notice to Auditors.* The Company's auditors (the "**Auditors**") will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to Auditor's duties.
- (d) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

#### 3. Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

##### External Auditor

The Audit Committee will:

- (a) *Selection of the external auditor.* Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.

- (b) *Scope of Work.* Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (c) *Compensation.* Recommend to the Board the compensation to be paid to the external auditors.
- (d) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board.
- (e) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (f) *Direct Responsibility for Overseeing Work of Auditors.* Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

#### Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (a) *Review Audited Financial Statements.* Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (b) *Review of Interim Financial Statements.* Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (c) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.* Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.
- (d) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

#### Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (a) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (b) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.
- (c) *Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (d) *Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect on the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.

- (e) *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

#### Complaints

- (a) *Accounting, Auditing and Internal Control Complaints.* The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (b) *Employee Complaints.* The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

#### **4. Authority**

- (a) *Auditor.* The Auditor, and any internal auditors hired by the Company, will report directly to the Audit Committee.
- (b) *To Retain Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

#### **5. Reporting**

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;
- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Company's internal controls and disclosure controls;
- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- (h) all other material matters dealt with by the Audit Committee.

