

# **WASKAHIGAN OIL & GAS CORP.**

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

**to be held on Friday, April 10, 2026  
at 7:00 a.m. (Calgary time)  
at the offices of Waskahigan Oil & Gas Corp.  
Suite 203, 221 – 10th Avenue SE,  
Calgary, Alberta  
T2G 0V9**

**MANAGEMENT PROXY CIRCULAR**

**March 11, 2026**

## WASKAHIGAN OIL & GAS CORP.

### NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF THE SHAREHOLDERS

**TAKE NOTICE THAT** the Annual General and Special Meeting (the "**Meeting**") of the shareholders of Waskahigan Oil & Gas Corp. (the "**Corporation**" or "**WOGC**") will be held at the offices of the Corporation, Suite 203, 221 – 10<sup>th</sup> Avenue SE, Calgary, Alberta T2G 0V9 on Friday April 10, 2026 at 7:00 a.m. (Calgary time). The Meeting is being called for the following purposes:

1. to receive and consider the consolidated financial statements of the Corporation as at and for the year ended December 31, 2023 and December 31, 2024, together with the report of the auditors thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting at up to five members;
3. to consider and if deemed advisable to approve the following directors: Ross Ewaniuk, Jamil Kassam, Gregory J. Leia, Tracy Zimmerman and Gerald Roe;
4. to consider and if thought fit, to pass an ordinary resolution of disinterested shareholders of the Corporation to approve the sale of securities of the Corporation which may Materially Affect Control of the Listed Issuer (as defined in the policies of the Canadian Securities Exchange (the "**CSE**" of the "**Exchange**") in accordance with paragraph 4.6(2)(a)(iv) of CSE Policy 4;
5. to consider, and, if thought fit, to pass an ordinary resolution to ratify, confirm and approve the Company's Equity Incentive Plan, as described in the accompanying information circular (the "**Information Circular**");
6. to consider, and, if deemed advisable, to pass, with or without variation, a special resolution, the full text of which is set forth in the Information Circular, approving the continuance of the Company from the Business Corporations Act (Alberta) to the Business Corporations Act (British Columbia);
7. to consider, and, if deemed advisable, to pass, with or without variation, a special resolution, the full text of which is set forth in the Information Circular, adopting new Articles for the Company;
8. to consider and if deemed advisable to approve MNP LLP as auditors of the Company for the fiscal year ending December 31, 2026 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending December 31, 2026; and
9. to transact such other business as may properly come before the Meeting.

Information relating to matters to be acted upon by the shareholders at the Meeting is set forth in the accompanying Management Proxy Circular. **A shareholder may attend the Meeting in person or may be represented at the Meeting by proxy. Shareholders who are unable to attend the Meeting in person and wish to be represented by proxy are requested to date, sign and return the accompanying Instrument of Proxy, or other appropriate form of proxy, in accordance with the instructions set forth in the accompanying Management Proxy Circular and Instrument of Proxy.** An Instrument of Proxy will not be valid unless it is deposited at the offices of Computershare (Attention: Proxy Department), 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, by 12:00 (Toronto time) or not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time of the adjournment of the Meeting thereof. A registered shareholder can complete internet voting by logging on at [www.investorvote.com](http://www.investorvote.com) and entering the web voting control number located on the address box of the shareholder's instrument of proxy. A person appointed as proxy holder need not be a shareholder of the Corporation. In the event of a strike, lockout or other work stoppage involving postal employees, all documents required to be emailed by a shareholder at [www.investorvote.com](http://www.investorvote.com). Shareholders are cautioned that the use of the mail to transmit proxies is at each shareholder's risk. Dated at Calgary, Alberta as of the 11th day of March, 2026.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(signed) Gregory J. Leia*

Director, President and Chief Executive Officer

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### APPENDIX

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**WASKAHIGAN OIL & GAS CORP.**  
**MANAGEMENT PROXY CIRCULAR**

(Unless otherwise stated, information contained herein is given as of March 11, 2026)

**INFORMATION REGARDING PROXIES AND VOTING AT THE MEETING**

**Solicitation of Proxies**

This Management Proxy Circular is furnished in connection with the solicitation of proxies by the management of Waskahigan Oil & Gas Corp. (the "**Corporation**" or "**WOGC**") for use at the Annual General and Special Meeting of the holders (the "**Shareholders**") of common shares ("**Common Shares**" or "**WOGC Common Shares**") of the Corporation to be held at 203, 221 10<sup>th</sup> Avenue SE, Calgary, Alberta T2G 0V9 on Friday, April 10, 2026 at 7:00 a.m. (Calgary time) (the "**Meeting**"), for the purposes set forth in the Notice of the Annual General and Special Meeting (the "**Notice**") accompanying this Management Proxy Circular. Solicitation of proxies will be primarily by mail, but may also be undertaken by way of telephone, facsimile, electronic or oral communication by the directors, officers and regular employees of the Corporation, at no additional compensation. Costs associated with the solicitation of proxies will be borne by the Corporation.

**Appointment of Proxyholders**

Accompanying this Management Proxy Circular is an instrument of proxy for use at the Meeting. Shareholders who are unable to attend the Meeting in person and wish to be represented by proxy are required to date and sign the enclosed instrument of proxy and return it in the enclosed return envelope. **All properly executed instruments of proxy for Shareholders must be mailed so as to reach or be deposited at the offices of Computershare (Attention: Proxy Department), 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, not later than 12:00 noon (Toronto time) or 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for adjournment of the Meeting thereof. A registered shareholder can complete internet voting by logging on at [www.investorvote.com](http://www.investorvote.com) and entering the WEB VOTING ID NUMBER located on the address box of the Shareholder's instrument of proxy.**

The persons designated in the instrument of proxy are officers and directors of the Corporation. **A Shareholder has the right to appoint a person (who need not be a Shareholder) other than the persons designated in the accompanying instrument of proxy, to attend at and represent the Shareholder at the Meeting.** To exercise this right, a Shareholder should insert the name of the designated representative in the blank space provided on the instrument of proxy and strike out the names of management's nominees. Alternatively, a Shareholder may complete another appropriate instrument of proxy.

**Signing of Proxy**

The instrument of proxy must be signed by the Shareholder or the Shareholder's duly appointed attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney of the corporation. An instrument of proxy signed by a person acting as attorney or in some other representative capacity (including a representative of a corporate Shareholder) should indicate that person's capacity (following his or her signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has previously been filed with the Corporation).

**Revocability of Proxies**

A Shareholder who has submitted an instrument of proxy may revoke it at any time prior to the exercise thereof. In addition to any manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his or her duly authorized attorney or, if the Shareholder is a corporation, under its corporate seal or executed by a duly authorized officer or attorney of the corporation and deposited either: (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournments thereof, at which the instrument of proxy is to be used; or (ii) with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof. **In addition, an instrument of proxy may be revoked: (i) by the Shareholder personally attending the Meeting and voting the securities represented thereby or, if the Shareholder is a corporation, by a duly authorized representative of the corporation attending at the Meeting and voting such securities; or (ii) in any other manner permitted by law.**

### **Voting of Proxies and Exercise of Discretion by Proxyholders**

All Common Shares represented at the Meeting by properly executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy, the Common Shares represented by the instrument of proxy will be voted in accordance with such instructions. The management designees named in the accompanying instrument of proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholder appointing him or her on any ballot that may be called for at the Meeting. **In the absence of such direction, such Common Shares will be voted "FOR" the proposed resolutions at the Meeting. The accompanying instrument of proxy confers discretionary authority upon the persons named therein with respect to amendments of or variations to the matters identified in the accompanying Notice and with respect to other matters that may properly be brought before the Meeting.** In the event that amendments or variations to matters identified in the Notice are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the management designees to vote in accordance with their best judgment on such matters or business. At the time of printing this Management Proxy Circular, the management of the Corporation knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the accompanying Notice.

### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED ON**

Except as disclosed in this Management Proxy Circular, none of the directors or senior officers of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise in any matter to be acted on, other than the election of directors.

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

#### **Voting Shares and Record Date**

The authorized share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of first preferred shares ("**Preferred Shares**" or "**WOGC Preferred Shares**"). The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is February 23, 2026 (the "**Record Date**"). As at the Record Date, there were 3,423,069 Common Shares issued and outstanding as fully paid and non-assessable. No WOGC Preferred Shares were outstanding as of the Record Date.

#### **WOGC Common Shares**

The holders of WOGC Common Shares are entitled to notice of and to vote at the annual general and special meeting of shareholders and are entitled to one vote per WOGC Common Share. Subject to any prior rights of the holders of Preferred Shares, the holders of WOGC Common Shares are entitled to receive such dividends as the board of directors of the Corporation (the "**Board of Directors**" or the "**Board**") declare and, upon liquidation, to receive such assets of the Corporation as are distributable to holders of WOGC Common Shares.

#### **Voting of WOGC Common Shares – General**

Only Shareholders whose names are entered in the Corporation's register of shareholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent that: (i) a registered Shareholder has transferred the ownership of any Common Shares subsequent to the Record Date; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares and demands, not later than ten days before the Meeting, that his or her name be included on the Shareholder list before the Meeting, in which case the transferee shall be entitled to vote his or her Common Shares at the Meeting.

## Voting of Common Shares – Advice to Non-Registered Holders

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

- (a) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the Common Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or
- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or "CDS").

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice, this Management Proxy Circular and the instrument of proxy (collectively, the "Meeting Materials") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward Plan of Arrangement Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Typically, Intermediaries will use a service company (such as Broadridge Financial Solutions Inc. ("Broadridge")) to forward Meeting Materials to Non-Registered Holders.

Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will:

- (a) have received as part of the Meeting Materials a voting instruction form which must be completed, signed and delivered by the Non-Registered Holder in accordance with the directions on the voting instruction form; voting instruction forms sent by Broadridge permit the completion of the voting instruction form by telephone or through the Internet based voting procedures; or
- (b) less typically, be given a proxy which 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 uncompleted. This form of proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with Computershare at the address referred to above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Holder wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies.**

Only registered Shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote, and if necessary, revoke their proxy in accordance with the revocation procedures set above.

## Principal Holders of Common Shares

Except as set forth below, to the knowledge of the directors and the executive officers, as at February 23, 2026, no person or company beneficially owns, directly or indirectly, or controls or directs, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

Name & Residence	Type of Ownership	Number of Shares	Percentage of Outstanding Shares
Gregory J. Leia Calgary, Alberta, Canada	Direct/Indirect <sup>(1)(2)</sup>	2,197,575	64.2%

Note: (1) common shares are directly and held indirectly through companies owned or controlled by Gregory J. Leia, El Indio Investment Corp. (95,000 common shares), Gregory J. Leia Professional Corporation (1,391,550 common shares) and Future Key Management Inc. (27,500 common shares).

Note: (2) In March 2026, Gregory J. Leia Professional Corporation proposes to sell to Ross Ewaniuk 1,391,550 common shares. In March 2026, Gregory J. Leia (as to 659,525 Common Shares), El Indio Investmnt Corp (as to 95,000 Common Shares) and Future Key Management Inc ( as to 27,500 Common Shares) propose to sell to Jamil Kassam (total 953,100). The transactions have not closed as at the date of the Circular.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### 1. Financial Statements

The audited consolidated financial statements of the Corporation for the years ended December 31, 2024 and December 31, 2023 and the respective Auditors' Report thereon (attached as Appendix "A") accompanying this Management Proxy Circular will be placed before the Shareholders at the Annual General and Special Meeting for their consideration. Attached as Appendix "B" is a copy of the interim unaudited financial statement for the 9 months ended September 30, 2025. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed notice, in the addressed envelope to Computershare. No formal action will be taken at the Meeting to approve the financial statements, which have been approved by the Board of Directors of the Corporation in accordance with applicable corporate and securities legislation. Any questions regarding the financial statements may be brought forward at the Meeting.

### 2. Fix the Number of Directors

The term of office of each of the present directors expires at the Meeting. At the Meeting, the shareholders will be asked to fix the number of directors of the Corporation to be elected at the Meeting at five. Management of the Corporation proposes to nominate the four persons.

### 3. Election of the Directors

Approval of the election of the directors will require the affirmative votes of the holders of not less than half of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. **Unless otherwise directed, the management designees named in the accompanying instrument of proxy intend to vote in favour of the election, as directors, whose names are set forth below.** In the event that prior to the Meeting, any vacancies occur on the slate of directors submitted herewith, it is intended that discretionary authority will be granted to vote proxies solicited by or on behalf of management for the election of any other person or persons as directors. Management is not currently aware that any such director would not be willing to serve as director if elected. Approval of the election of the final two directors will require the affirmative votes of the holders of not less than half of the votes cast in respect thereof by Shareholders present in person at the Meeting.

The following information concerning the proposed directors has been furnished by each of them:

Name, Residence and Present Office Held	Principal Occupation or Employment	Director Since	Number of Common Shares Beneficially Owned or Controlled <sup>(1)</sup> and percentage of total issued and outstanding
Ross Ewaniuk Calgary, Alberta  <i>Proposed Chief Executive Officer and Director Nominee</i>	Mr Ewaniuk is a businessperson who provides business development capital markets advisory services to reporting issuers and private companies. Previously, Mr. Ewaniuk worked as an Investment Advisor with Northern Financial.	<i>Proposed CEO and director</i>	Nil <sup>(3)</sup>
Jamil Kassam <sup>(2)</sup> British Columbia, Canada  <i>Director Nominee</i>	Mr. Jamil Kassam has been a Chartered Professional Accountant at Kassam & Associates since 1999, and has experience in public practice, tax, and strategic business advisory. Mr. Kassam has also served as the Corporate Secretary of ME Therapeutics Holdings Inc. (CSE:METX) since March 2023.	<i>Proposed director</i>	Nil <sup>(3)</sup>
TRACY ZIMMERMAN Calgary, Alberta  Director, Chief Financial Officer	Mr. Zimmerman holds a Geological Engineering degree from the University of Saskatchewan. Mr. Zimmerman holds a Professional Geoscientist designation from APEGA. Mr. Zimmerman was a director of Tenth Avenue Petroleum Corp. from June 2019 to December 2021. Mr. Zimmerman has 34 years of experience in the oil and gas industry primarily in western Canada. Mr. Zimmerman was principal in junior startup Cheveyo Energy Ltd. which was sold in 2014.	January 12, 2021	171,075  5%
GREGORY J. LEIA Calgary, Alberta Canada  Director, Chief Executive Officer	Mr. Leia Mr. Leia has practiced law in the Province of Alberta for over 43 years primarily with the law firm Wolff Leia, Calgary, Alberta. Mr. Leia received a Bachelor of Commerce and a Bachelor of Laws from the University of Saskatchewan. From June 2007 to May 2010, Mr. Leia was the President of Batoche Energy Corp which amalgamated with Antler Creek Energy Corp whose common shares were listed on the TSXV. Antler Creek Energy Corp changed its name to Pinecrest Energy Inc. Mr. Leia was a director of Jadela Oil Corp from 2011 to 2015. Jadela Oil Corp changed its name to Tenth Avenue Petroleum Corp. Mr. Leia was President from 2015 to December 2021. Mr. Leia was the President of Waskahigan Oil & Gas Corp from February 2009	February 26, 2009	2,197,575  64.2%

Name, Residence and Present Office Held	Principal Occupation or Employment	Director Since	Number of Common Shares Beneficially Owned or Controlled <sup>(1)</sup> and percentage of total issued and outstanding
GERALD ROE <sup>(2)</sup> Calgary, Alberta Canada  Director	Mr. Roe Mr. Roe received a Bachelor of Science in Mechanical Engineering from Montana State University. Mr. Roe has over 48 years of experience in the upstream oil and gas industry. Mr. Roe was a director of Jadela Oil Corp from 2011 to 2015. Mr. Roe was a director of Tenth Avenue Petroleum Corp. from 2015 to December 2021. Mr. Roe was a director of Waskahgan Oil & Gas Corp from December 2021. Mr. Roe was a Director and Chairman of the Board of GasFrac Energy Services Inc. an oil services company listed on the TSX until June 2014. Mr. Roe was the Chief Operating Officer (from January 2005 to November 2007) and the Vice-President, Operations (from May 2004 and January 2005) of Oilexco Incorporated, an oil and gas company that was listed on the TSX and the London Stock Exchange. Since October 2003, Mr. Roe has been a director of ExGen Resources Ltd. (formerly Boxxer Gold Corp.), a mining company listed on the TSXV. From May 2009 to 2013, Mr. Roe was VP Operations of Canadian Overseas Petroleum Limited, an oil and gas company listed on the TSXV.	January 12, 2021	10,000  0.2%

**Notes:**

- (1) The information as to the number of Common Shares beneficially owned, not being within the knowledge of the Corporation, has been furnished by the respective directors. These figures do not include any securities that are convertible into or exercisable for Common Shares. These figures are based on the number of Common Shares issued and outstanding as of the date of this Management Proxy Circular.
- (2) Member of the Audit Committee.
- (3) Ross Ewaniuk proposes to purchase 1,391,550 common shares (40.6% of the total issued and outstanding common shares of the Corporation) from Gregory J. Leia Profesional Corporation. The purchase and sale transaction is expected to be completed prior to the Meeting.
- (4) Jamil Kassam proposes to purchase an aggregate of 953,100 common shares (27.84% of the total issued and outstanding common shares of the Corporation) from the following vendors: (a) Gregory J. Leia (659,525 common shares); El Indio Invesment Corp (95,000 common shares); Future Key Management Inc (27,500 common shares) and Oilrac Enterprises Inc (171,075 common shares). The purchase and sale transaction is expected to be completed prior to the Meeting.

### *Corporate Cease Trade Orders or Bankruptcies*

On May 6, 2019, the securities of the Tenth Avenue Petroleum Corp. were cease traded for failure to file the audited financial statements and management discussion and analysis for the fiscal year ended December 31, 2018. On May 15, 2019, the Corporation filed the required documents. On May 17, 2019, the cease trade was revoked. Gregory J. Leia, Craig Leggatt and Gerald Roe were directors at the time.

Other than as set out below, no proposed director of the Corporation is, or has been within the past ten years, a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity:

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

No proposed director of the Corporation is, or has been within the past ten years, a director or executive officer of any other company that, while such person was acting in that capacity, or within a year of that individual 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. Mr. Gerald Roe was a director of Queue Group Inc., which was ceased traded on October 1, 2002 for failure to file financial statements.

### *Individual Bankruptcies*

No proposed director of the Corporation is or has, within the ten years prior to the date hereof, 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 that individual.

### *Penalties or Sanctions*

No proposed director of the Corporation has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority. No proposed director of the Corporation has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### *Conflicts of Interest*

The directors and officers of the Corporation may, from time to time, be involved with the business and operations of other oil and gas issuers, in which case a conflict of interest may arise between their duties as officers and directors of the Corporation and as officer and directors of such other companies. Such conflicts must be disclosed in accordance with, and are subject to such procedures and remedies, as applicable, under the ABCA.



#### 4. Approval of Sale of Securities to Control Persons

The Company is seeking approval of an ordinary resolution of the disinterested Shareholders of the Corporation pursuant to paragraph 4.6(2)(a)(iv) of CSE Policy 4 in respect of the potential future sale of securities to Ross Ewaniuk, Jamil Kassam or entities controlled by either of them which may Materially Affect Control of the Listed Issuer (as such term is defined in CSE Policy 1).

Each of Mr. Ewaniuk and Mr. Kassam, who are nominated for election as directors of the Corporation at the Meeting, have proposed to acquire common shares of the Corporation from Gregory Leia, Tracy Zimmerman and entities controlled by them, as follows, subject to entry into definitive transaction agreements and satisfaction of customary closing conditions: (a) Mr. Ewaniuk will acquire 1,391,550 common shares (40.6% of the total issued and outstanding common shares of the Corporation) from Gregory J. Leia Profesional Corporation at a purchase price of \$0.20 per share for total consideration of \$278,310, and (b) Mr. Kassam will acquire an aggregate of 953,100 common shares (27.84% of the total issued and outstanding common shares of the Corporation) from the following vendors: (i) Gregory J. Leia (659,525 common shares), El Indio Invesment Corp (95,000 common shares), Future Key Management Inc (27,500 common shares) and Oilrac Enterprses Inc (171,075 common shares) at a purchase price of \$0.20 per share for total consideration of \$190,620 (collectively, the “**Control Block Purchase Transactions**”). Mr. Ewaniuk and Mr. Kassam do not act jointly or in concert, and operate at arm’s length to each other, the vendors and the Corporation. The Control Block Purchase Transactions are expected to be completed prior to the Meeting pursuant to exemptions from the takeover bid requirements under applicable securities laws, and completion of such transactions do not require prior approval of the shareholders of the Corporation or of the CSE.

On completion of the Control Block Purchase Transactions, each of Mr. Ewaniuk and Mr. Kassam are expected to become Control Persons (as defined in CSE Policies) of the Corporation as each of them will hold more than 20% of the issued and outstanding common shares of the Corporation (each of them, a “**Control Person**”) and, if elected at the Meeting, to become directors of the Corporation. If, subsequent to completion of the Control Block Purchase Transactions, the Corporation issues new shares from treasury to either Control Person pursuant to a private placement or otherwise, such sale of securities would Materially Affect Control of the Listed Issuer (as defined in CSE Policies) and would trigger approval of the shareholders of the Corporation pursuant to paragraph 4.6(2)(a)(iv) of CSE Policy 4 (the “**CSE Shareholder Approval Requirement**”).

At the Meeting, the Corporation will seek the approval of an ordinary resolution by the majority of the disinterested shareholders of the Corporation (the “**Change of Control Resolution**”) for, among other things, the issuance of additional securities of the Corporation to the Control Persons or entities controlled by either of them, in one or more transactions, on or before April 10, 2028, provided that such issuances are completed in accordance with applicable laws and CSE policies (the “**Future Securities Issuances**”), for the fact that such Future Securities Issuances may Materially Affect Control of the Listed Issuer (the “**Change of Control**”) and that the Future Securities Issuances may be related party transactions of the Corporation at the time of issuance (the “**Related Party Future Issuances**”). There is no guarantee that there will be any Future Securities Issuances to the Control Persons, and approval of the Change of Control Resolution is being sought prospectively to limit the risk of delays to any future transactions of the Corporation or delays in seeking CSE or regulatory approval that may be necessary in the future. The vendors in the Control Block Purchase Transactions, Mr. Ewaniuk and Mr. Kassam are considered interested parties with respect to the Change of Control Resolution (collectively, the “**Interested Parties**”) and will be excluded from voting such resolution at the Meeting to satisfy the CSE Shareholder Approval Requirement. The Change of Control Resolution is an ordinary resolution, which must be passed by more than 50% of the votes cast by those shareholders entitled to vote, whether in person or by proxy at the Meeting, excluding the Interested Parties. In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote the Common Shares represented thereby FOR the Change of Control Resolution.

The Change of Control Resolution, which must be approved by the disinterested holders of a majority of the Common Shares voting at the Meeting, is as follows:

**“RESOLVED AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:**

1. the creation of each of Ross Ewaniuk and Jamil Kassam as a Control Person (as defined in CSE Policies) of the Corporation as a result of the completion of the Control Block Purchase Transactions be and is hereby ratified, approved and confirmed;
2. the Future Securities Issuances to either Ross Ewaniuk, Jamil Kassam or entities controlled by either of them, as applicable, in one or more transactions on or before April 10, 2028, be and are hereby authorized and approved, subject to compliance with applicable laws and CSE policies;
3. the Change of Control resulting from any Future Securities Issuance is hereby authorized and approved;
4. the Related Party Future Issuances, if any, are hereby authorized and approved;
5. all acts, omissions and transactions of the Corporation, if any, in connection with the Control Block Purchase Transactions and Change of Control, and all documents, certificate and instruments executed or delivered by or on behalf of the Corporation in connection therewith, be and are hereby ratified, approved, confirmed and authorized, as applicable; and
6. any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution.”

The Change of Control Resolution must be approved by a simple majority approval of the votes cast at the Meeting by the holders of Common Shares, excluding the Interested Parties. Completion of the Control Block Purchase Transactions is not conditional upon approval of the Change of Control Resolution, and may be completed even if the Change of Control Resolution is not approved. If the Change of Control Resolution is not approved by the shareholders, the Corporation may seek approval for the matters set out in the Change of Control Resolution in the future in connection with a Future Securities Issuance or Related Party Future Issuance, if any, in the future.

**Management of the Company recommends that Shareholders vote in favour of the Change of Control Resolution at the Meeting. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Change of Control Resolution.**

## 5. Approval of the Equity Incentive Plan

The Corporation is seeking Shareholder approval of the Equity Incentive Plan at the Meeting. The Equity Incentive Plan features: (a) a rolling reserve of up to 15% of outstanding shares; and (b) the ability to grant stock options and RSUs. At the Meeting, Shareholders will be asked to vote on an ordinary resolution (the “**Equity Incentive Plan**” or the “**Plan Resolution**”) to approve, for the ensuing year, the Plan as described below. A copy of the Plan is attached to this Circular as Schedule “C”. If the Plan Resolution is approved at the Meeting, the Equity Incentive Plan will replace and supersede the Corporation’s current stock option plan. There are no options outstanding under the Corporation’s current stock option plan.

### (a) Particulars of the Equity Incentive Plan

#### (i) Overview of the Plan

The Plan provides that the Board may from time to time, in its discretion, grant to the Eligible Person (as such term is defined below) selected by the Administrators (as such term is defined below) to participate the Plan (each, a “**Participant**”), who may include participants who are citizens or residents of the United States (each, a “**US Participant**”), with the opportunity, through RSUs and Options, to acquire an ownership interest in the Corporation.

The RSUs will rise and fall in value based on the value of the Common Shares. Unlike the Options, the RSUs will not require the payment of any monetary consideration to the Corporation. Instead, each RSU represents a right to receive one Common Share or a lump sum payment in cash following the attainment of vesting criteria determined by the Administrators at the time of the award (subject to the Exchange). See “*Restricted Share Units – Vesting Provisions*” below. The Options, on the other hand, are rights to acquire Common Shares upon payment of monetary consideration (i.e., the exercise price), subject also to vesting criteria determined at the time of the grant. See “*Options – Vesting Provisions*” below.

#### (ii) Purpose of the Plan

The stated purpose of the Plan is to advance the interests of the Corporation and its subsidiaries, and its Shareholders by: (a) ensuring that the interests of Eligible Persons (as such term is defined below) are aligned with the success of the Corporation and its subsidiaries; (b) encouraging stock ownership by such persons; and (c) providing compensation opportunities to attract, retain and motivate such persons.

The following people (each, an “**Eligible Person**”) are eligible to participate in the Plan: any Director, Officer, Employee and Consultant (as these terms are defined in the Plan).

#### (iii) Administration of the Plan

The Plan will be administered by the Board or such other persons as may be designated by the Board (the “**Administrators**”). The Administrators will determine the eligibility of persons to participate in the Plan, when RSUs and Options will be awarded or granted, the number of RSUs and Options to be awarded or granted, the vesting criteria for each award of RSUs and grant of Options and all other terms and conditions of each award and grant, in each case in accordance with applicable securities laws and the requirements of the Exchange.

#### (iv) Number of Common Shares Available for Issuance under the Plan

The number of Common Shares available for issuance upon the vesting of RSUs awarded and Options granted under the Plan is limited to 15% of the issued and outstanding Common Shares at the time of any grant.

#### **5(a)(v) Restrictions on the Award of RSUs and Grant of Options**

Certain restrictions on awards of RSUs and grants of Options will apply as follows:

- (A) the total number of Common Shares issuable pursuant to all Options and RSU granted or issued under the Plan and any other share compensation arrangements of the Company (“**Security Based Compensation**”) cannot exceed 15% of the Common Shares then outstanding;
- (B) unless the Corporation obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan and any other share compensation arrangements of the Company to any one Participant in any 12 month period cannot exceed 5% of the Common Shares then outstanding;
- (C) the maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan and any other share compensation arrangements of the Company in any 12 month period to any one Consultant shall not exceed 2% of the issued and outstanding Common Shares then outstanding; and
- (D) the maximum aggregate number of Common Shares issuable pursuant to all Options granted to Investor Relations Service Providers (as such term is defined in the Plan) under the Plan and any other share compensation arrangements of the Company in any 12 month period in aggregate shall not exceed 2% of the issued and outstanding Common Shares;

#### **5(b) Restricted Share Units**

The Administrators may award RSUs to Eligible Persons (other than Investor Relations Service Providers) under the Plan reserving for issuance such number of Common Shares equal to up to a maximum of 15% of the issued and outstanding Common Shares at the date of the award (such maximum amount to include any Option granted under the Plan that may be exercised for Common Shares).

##### **(i) Mechanics for RSUs**

RSUs awarded to Participants under the Plan are credited to an account that is established on their behalf and maintained in accordance with the Plan. After the vesting criteria of any RSUs awarded under the Plan is satisfied, a Participant shall be entitled to receive and the Company shall issue or pay (at its discretion): (i) a lump sum payment in cash equal to the number of vested RSUs recorded in the Participant’s account multiplied by the Market Price (as such term is defined in the Plan) of the Common Shares traded on the Exchange on the payout date; (ii) the number of Common Shares required to be issued to a Participant upon the vesting of such Participant’s RSUs in the Participant’s account will be, duly issued as fully paid and non-assessable shares and such Participant shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares; or (iii) any combination of thereof.

##### **(ii) Vesting Provisions**

The Plan provides that: (i) at the time of the award of RSUs, the Administrators will determine the vesting criteria applicable to the awarded RSUs, provided that, subject to certain exceptions in the Plan, no RSU may vest before the date that is one year following the date of grant or issue; (ii) vesting of RSUs may include criteria such as performance vesting; (iii) each RSU shall be subject to vesting in accordance with the terms set out in an agreement evidencing the award of the RSU attached as Exhibit A to the Plan (or in such form as the Administrators may approve from time to time) (each an “**RSU Agreement**”); and (iv) all vesting and

issuances or payments in respect of an RSU shall be completed no later than December 15 of the third calendar year commencing after the award date for such RSU.

It is the current intention that RSUs may be awarded with both time-based vesting provisions as a component of the Corporation's annual incentive compensation program, and performance-based vesting provisions as a component of the Corporation's long-term incentive compensation program.

Under the Plan, should the date of vesting of an RSU fall within a blackout period or within nine business days following the expiration of a blackout period, the date of vesting will be automatically extended to the tenth business day after the end of the blackout period, provided that with respect to Restricted Share Units of U.S. Participants, the Payout Date will not be delayed beyond March 15th of the year following the year in which the RSUs are no longer subject to a substantial risk of forfeiture for purposes of section 409A of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), unless settlement/payout by such date would violate applicable law, or unless payment at a later date would be permitted under Treasury Regulation 1.409A-1(b)(4)(ii).

**5(b)(iii) Termination, Retirement and Other Cessation of Employment in connection with RSUs**

A person participating in the Plan will cease to be eligible to participate in the following circumstances: (i) receipt of any notice of termination of employment or service (whether voluntary or involuntary and whether with or without cause); (ii) retirement; and (iii) any cessation of employment or service for any reason whatsoever, including disability and death (an "Event of Termination"). In such circumstances, any vested RSUs will be issued as soon as practicable after the Event of Termination (and with respect to each RSU of a US Participant, such RSU will be settled and shares issued as soon as practicable following the date of vesting of such RSU as set forth in the applicable RSU Agreement, but in all cases within 60 days following such date of vesting); and unless otherwise determined by the Administrators in their discretion, any unvested RSUs will be automatically forfeited and cancelled (and with respect to any unvested RSU of a US Participant, if the Administrators determine, in their discretion, to waive vesting conditions applicable to an RSU that is unvested at the time of an Event of Termination, such RSU shall not be forfeited or cancelled, but instead will be deemed to be vested and Common Shares will be delivered and/or any applicable lump sum cash amount shall be paid, within sixty (60) days following such date of vesting of such RSU, except to the extent otherwise specified in an applicable Restricted Share Unit Deferral Agreement, if any. Notwithstanding the above, if a person retires in accordance with the Company's retirement policy at such time, any unvested RSUs that remain subject to performance-based vesting conditions shall not be forfeited or cancelled and instead shall be eligible to become vested in accordance with the vesting conditions set forth in the applicable RSU Agreement after such retirement, notwithstanding that the Participant is no longer employed by the Company or an affiliate on such date, but only if the performance vesting criteria, if any, have been met on the applicable date, and such date will be the vesting date. For greater certainty, if a person is terminated for just cause, all unvested RSUs will be forfeited and cancelled.

**5(c) Options**

The Administrators may at any time and from time to time grant Options to Eligible Persons reserving for issuance such number of Common Shares equal to up to a maximum of 15% of the issued and outstanding Common Shares as at the date of the grant (such maximum amount to include any RSUs awarded under the Plan).

**(i) Mechanics for Options**

Each Option granted pursuant to the Plan will entitle the holder thereof to the issuance of one Common Share upon achievement of the vesting criteria and payment of the applicable exercise price. Options granted under the Plan will be exercisable for Common Shares issued from treasury once the vesting criteria established by the Administrators at the time of the grant have been satisfied, which criteria shall, among others include for U.S. Participants, whether the Option is an incentive stock option (“ISO”) or a non-qualified stock option (“NSO”). However, the Company will continue to retain the flexibility to (through the amendment provisions in the Plan to satisfy its obligation to issue Common Shares by making a lump sum cash payment of equivalent value (i.e., pursuant to a cashless exercise), provided there is a full deduction of the number of underlying Common Shares from the Plan’s reserve. Each Option Agreement with respect to an Option granted to a U.S. Participant shall specify whether the related Option is an ISO or a NSO. If no such specification is made in the Option Agreement or in the resolutions of the Administrator under which the Option was granted, the related Option will be a NSO.

In addition to the other terms and conditions of the Plan, the following limitations and requirements will apply to an ISO:

- (A) An ISO may be granted only to an employee of the Company, or an employee of a subsidiary of the Company within the meaning of Section 424(f) of the Code.
- (B) The aggregate Fair Market Value (as defined in the Plan) of the Common Shares (determined as of the applicable grant date) with respect to which ISOs are exercisable for the first time by any U.S. Participant during any calendar year will not exceed one hundred thousand United States dollars (US\$100,000) or any other limitation subsequently set forth in Section 422(d) of the Code. To the extent that an Option that is designated as an ISO becomes exercisable for the first time during any calendar year for Common Shares having a Fair Market Value greater than US\$100,000, the portion that exceeds such amount will be treated as an NSO.
- (C) The exercise price per Common Share payable upon exercise of an ISO will be not less than one hundred percent (100%) of the Fair Market Value of a Common Share on the applicable grant date; provided, however, that the exercise price per Share payable upon exercise of an ISO granted to a U.S. Participant who is a 10% shareholder (within the meaning of Code Sections 422 and 424) on the applicable grant date will be not less than one hundred ten percent (110%) of the Fair Market Value of a Common Share on the applicable grant date.
- (D) No ISO may be granted more than ten (10) years after the earlier of (i) the date on which the Plan is adopted by the Board or (ii) the date on which the New Equity Compensation Plan is approved by the shareholders of the *Corporation*.

**5(c)(i) Mechanics for Options cont.**

- (E) An ISO will terminate and no longer be exercisable no later than ten (10) years after the applicable grant date; provided, however, that an ISO granted to a U.S. Participant who is a 10% shareholder (within the meaning of Code Sections 422 and 424) on the applicable grant date will terminate and no longer be exercisable no later than five (5) years after the applicable grant date.
- (F) An ISO shall be exercisable in accordance with its terms under the Plan and the applicable Option Agreement and related exhibits and appendices thereto. However, in order to retain its treatment as an ISO for United States federal income tax purposes, the ISO must be exercised within the following time periods:
  - (I) For ISO treatment, if a U.S. Participant who has been granted an ISO ceases to be an employee due to the Disability of such U.S. Participant (within the meaning of Code Section 22(e)), such ISO must be exercised by the date that is one year following the date of such Disability.
  - (II) For ISO treatment, if a U.S. Participant who has been granted an ISO ceases to be an employee for any reason other than the death or Disability of such U.S. Participant, such ISO must be exercised by such U.S. Participant within three months following the date of termination.
  - (III) For purposes of this Section 5.10(c)(vi), the employment of a U.S. Participant who has been granted and ISO will not be considered interrupted or terminated upon
    - (a) sick leave, military leave or any other leave of absence approved by the Board that does not exceed ninety (90) days in the aggregate; provided, however, that if reemployment upon the expiration of any such leave is guaranteed by contract or applicable law, such ninety (90) day limitation will not apply, or
    - (b) a transfer from one office of the Corporation to another office of the Corporation or a transfer between the Company and any subsidiary.
  - (IV) An ISO granted to a U.S. Participant may be exercised during such U.S. Participant's lifetime only by such U.S. Participant.
  - (V) An ISO granted to a U.S. Participant may not be transferred, assigned, pledged, hypothecated or otherwise disposed of by such U.S. Participant, except by will or by the laws of descent and distribution.
  - (VI) In the event the Plan is not approved by the shareholders of the Company in accordance with the requirements of Section 422 of the Code within twelve (12) months of the date of adoption of the Plan, Options otherwise designated as ISOs will be NSOs.
  - (VII) The Company shall have no liability to a U.S. Participant or any other party if any Option (or any part thereof) intended to be an ISO is not an ISO.

**5(c)(ii) Vesting Provisions for Options**

The Plan provides that the Administrators may determine when any Option will become exercisable and may determine that Options shall be exercisable in instalments or pursuant to a vesting schedule. The Option Agreement will disclose any vesting conditions prescribed by the Administrators.

**5(c)(iii) Cashless Exercise of Options**

A Participant may elect a cashless exercise in its exercise notice. In such case, the Participant will not be required to deliver to the Administrators a cheque or other form of payment for the aggregate exercise price. Instead the Participant will instruct a broker selected by the participant to sell through the stock exchange or market on which the Common Shares are listed or quoted, sufficient number of Common Shares to the Participant at the then bid price of the Common Shares. Before the relevant trade date, the Participant deliver the exercise notice to the Corporation which will then direct its registrar and transfer agent to issue a certificate for such Participant's Common shares in the broker against payment by the broker to the Company of (i) the exercise price for such Common Shares and (ii) the amount the Corporation determines in its discretion is required to satisfy the Corporation's withholding tax a source deduction remittance obligations in respect of the exercise of the Options and issuance of the Common Shares.

**5(c)(iv) Net Exercise**

Subject to prior approval by the Administrators, a Participant may elect to surrender for cancellation to the Corporation any vested Options being exercised and the Corporation will issue to the Participant, as consideration for the surrender of such Options, that number of Common Shares (rounded down to the nearest whole Common Share) on a net issuance basis in accordance with the following formula below:

$$X = \frac{Y(A - B)}{(A)}$$

Where:

X = The number of Common Shares to be issued to the Participant in consideration for the net exercise of the Options.

Y = the number of vested Options with respect to the vested portion of the Option to be surrendered for cancellation

A = the VWAP of the Common Shares; and

B = the Exercise Price for such Options.

**5(c)(v) Termination, Retirement and Other Cessation of Employment in connection with Options**

A person participating in the Plan will cease to be eligible to participate where there is an Event of Termination. In such circumstances, unless otherwise determined by the Administrators in their discretion, any unvested Options will be automatically cancelled, terminated and not available for exercise and any vested Options may be exercised only before the earlier of: (i) the expiry of the Option; and (ii) thirty (30) days after the date of the Event of Termination. If a person is terminated for just cause, all Options will be (whether or not then exercisable) automatically cancelled. If an Event of Termination involving the death of a Participant occurs, and such Participant is entitled to any Options in accordance with the Plan, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.

**5(c)(vi) Other Option and RSU Terms**

The Administrators will determine the exercise price and term/expiration date of each Option, provided that the exercise price in respect of that Option shall not be less than the Discounted Market Price on the date of grant and provided further that, with respect to Options awarded to U.S. Participants, the exercise price shall not be less than the closing price of Common Shares on the Exchange on the grant date, or if Common Shares are not listed on a stock exchange, the fair market value as determined by the Administrator in accordance with the valuation principles under Section 409A of the Code (in either case, the “Fair Market Value”). Notwithstanding the foregoing, the Administrator may designate an exercise price less than the Fair Market Value on the grant date if the Option is (i) granted in substitution for a stock option previously granted by an entity that is acquired by or merged with the Company or an affiliate, or (ii) otherwise structured to be exempt from, or to comply with, Section 409A of the Code in the case of Options awarded to U.S. Participants. “Discounted Market Price” is defined in the Plan as the Market Price of the Common Shares, less a discount of up to 25% if the Market Price is \$0.50 or less; up to 20% if the Market Price is between \$2.00 and \$0.51; and up to 15% if the Market Price is greater than \$2.00; and “Market Price” is defined in the Share Compensation Plan as “as of any date, the closing price of the Common Shares on the Exchange for the last market trading day prior to the date of grant of the Option or if the Common Shares are not listed on a stock exchange or quotation system, the Market Price shall be determined in good faith by the Administrators in accordance with valuation principles under U.S. Treasury Regulation Section 1.409A-1(b)(5)(iv)(B);”.

No Option shall be exercisable after ten years from the date the Option is granted. Under the Share Compensation Plan, should the term of an Option expire on a date that falls within a blackout period or within nine business days following the expiration of a blackout period, such expiration date will be automatically, unless as otherwise provided in the Plan, extended to the tenth business day after the end of the blackout period.

#### ***5(c)(VI)(A) Change of Control***

If there is a Change of Control (as such term is defined in the Plan) then, notwithstanding any other provision of the Plan except subsection 4.3(d) which will continue to apply in all circumstances, all unvested RSUs and any or all Options (whether or not currently exercisable) shall automatically vest or become exercisable, as applicable, such that Participants under the Plan shall be able to participate in the Change of Control transaction, including, at the election of the holder thereof, by surrendering such RSUs and Options to the Corporation or a third party or exchanging such RSUs or Options, for consideration in the form of cash and/or securities, to be determined by the Administrators in their sole discretion, subject to prior Exchange acceptance.

#### ***5(c)(VI)(B) Transferability***

RSUs awarded and Options granted under the Plan or any rights of a Participant cannot be transferred, assigned, charged, pledged or hypothecated, or otherwise alienated, whether by operation of law or otherwise.

#### ***5(c)(VI)(C) Reorganization and Change of Control Adjustments***

In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification or other distribution of the Company’s equity securities without the receipt of consideration by the Corporation, of or on the Common Shares, the Administrators shall proportionately adjust the number of securities purchasable and the exercise price thereof under each outstanding Option, and the number of securities allocated under each outstanding RSU. In the event of any other declaration by the Corporation of any stock dividend payable in securities (other than a dividend which may be paid in cash or in securities at the option of the holder of Common Shares), or any subdivision or consolidation of Common Shares, reclassification or conversion of the Common Shares, or any combination or exchange of securities, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin off involving the Company, distribution (other than normal course cash dividends) of Corporation assets to holders of Common Shares, or any other corporate transaction or event involving the Corporation or the Common Shares, the Administrators may make such changes or adjustments, if any, as they consider fair or equitable, to reflect such change or event including adjusting the number of Options and RSUs outstanding under the Plan, the type and number of securities or other property to be received upon exercise or redemption thereof, and the exercise price of

Options outstanding under the Plan, provided that the value of any Option or RSU immediately after such an adjustment shall not exceed the value of such Option or RSU prior thereto.

***5(c)(VI)(D) Amendment Provisions in the Plan***

The Board may amend the Plan or any RSU or Option at any time without the consent of any Participant provided that such amendment shall:

1. Not adversely alter or impair any RSU previously awarded or any Option previously granted, except as permitted by the adjustment provisions of the Plan, and with respect to RSUs and Options of US Participants, such amendment will not result in the imposition of taxes under Section 409A;
2. Be subject to any regulatory approvals including, where required, the approval of the Exchange; and
3. Be subject to shareholder approval, where required, by the requirements of the Exchange, provided that shareholder approval shall not be required for the following amendments:
  - (a) amendments of a “housekeeping nature”, including any amendment to the Share Compensation Plan or a RSU or Option that is necessary to comply with applicable laws, tax or accounting provisions or the requirements of any regulatory authority or stock exchange and any amendment to the Plan or an RSU or Option to correct or rectify any ambiguity, defective provision, error or omission therein, including any amendment to any definitions therein;
  - (b) amendments that are necessary or desirable for RSUs or Options to qualify for favourable treatment under any applicable tax law;
  - (c) a change to the vesting provisions of any RSU or any Option (including any alteration, extension or acceleration thereof);
  - (d) a change to the termination provisions of any Option or RSU (e.g., relating to termination of employment, resignation, retirement or death) that does not entail an extension beyond the original expiration date (as such date may be extended by virtue of a blackout period);
  - (e) the introduction of features to the Plan that would permit the Corporation to retain a broker and make payments for the benefit of Participants to such broker who would purchase Common Shares for such persons, instead of issuing Common Shares from treasury upon the vesting of the RSUs;
  - (f) amendments to the Plan that would permit the Corporation to make lump sum cash payments to Participants, instead of issuing Common Shares from treasury upon the vesting of the RSUs;
  - (g) the amendment of the cashless exercise feature set out in the Plan; and
4. Be subject to disinterested shareholder approval in the event of any reduction in the exercise price, or the extension of the term, of any Option granted under the Share Compensation Plan to an Insider Participant.

For greater certainty, shareholder approval will be required in circumstances where an amendment to the Plan would:

- (a) change from a fixed maximum percentage of issued and outstanding Common Shares to a fixed maximum number of Common Shares;
- (b) increase the limits referred to above under “*Restrictions on the Award of RSUs and Grant of Options*”;
- (c) reduce the exercise price of any Option (including any cancellation of an Option for the purpose of reissuance of a new Option at a lower exercise price to the same person);
- (d) extend the term of any Option beyond the original term (except if such period is being extended by virtue of a blackout period); or
- (e) amend the amendment provisions in Section 6.4 of the Plan.

Notwithstanding any other provision of the Plan, unless otherwise exempted from the provisions of the California securities laws, all Options and RSUs granted or proposed to be granted under the Plan to, or held by, residents of the State of California are subject to the certain additional provisions as described in the Plan.

#### **5(d) Plan Resolution**

The Plan Resolution is an ordinary resolution, which must be passed by more than 50% of the votes cast by those shareholders entitled to vote, whether in person or by proxy. In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote the Common Shares represented thereby FOR the Plan Resolution.

The Plan Resolution, which must be approved by the holders of a majority of the Common Shares voting at the Meeting, is as follows:

#### **“RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. the Plan, as described in the Circular, with the grant of RSUs and Options thereunder in accordance therewith, is hereby ratified, confirmed and approved and shall continue and remain in effect until further ratification is required pursuant to the rules of any applicable Exchange or other applicable regulatory requirements;
2. the maximum number of Common Shares reserved for issuance under the Plan shall be no more than 15% of the Corporation’s issued and outstanding share capital at the time of any Option award or grant;
3. the Corporation is hereby authorized and directed to issue such Common Shares pursuant to the Plan as fully paid and non-assessable Common Shares;
4. any one director or officer of the Corporation be and is hereby authorized to make any changes to the Plan, as may be required or permitted by any applicable Exchange policies;
5. the Corporation will seek re-approval of the Plan by April 10, 2029 being the date no later than three years after such Shareholder approval; and
6. any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution.”

The Plan Resolution must be approved by a simple majority approval of the votes cast at the Meeting by the holders of Common Shares. If the Plan is not approved by the shareholders, the Corporation will have to consider other methods of compensating and providing incentives to directors, officers, employees and consultants.

**Management of the Corporation recommends that Shareholders vote in favour of the Plan Resolution at the Meeting. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Plan Resolution.**

## 6. Approval of Continuance to the Jurisdiction of British Columbia

The Corporation is currently incorporated under the *Business Corporations Act (Alberta)* (the “**ABCA**”). The Board proposes to continue the Company from Alberta to British Columbia under the *Business Corporations Act (British Columbia)* (the “**BCBCA**”) and is seeking Shareholder approval for the continuance (the “**Continuance**”).

The Shareholders will be asked at the Meeting to consider and, if deemed advisable, approve, with or without variation, a special resolution (being a resolution passed by not less than two-thirds of the votes cast thereon by those Shareholders who, being entitled to do so, vote in person or by proxy at the Meeting) approving the Continuance. The Continuance, if approved, will change the legal domicile of the Corporation and will affect certain rights of the Shareholders as they currently exist under the ABCA. Accordingly, Shareholders should consult their own independent legal advisors regarding implications of the Continuance which may be of particular importance to them.

If the special resolution approving the Continuance in the form hereinafter provided (the “**Continuance Resolution**”) is approved at the Meeting, it would give the Board authority to implement the Continuance. Notwithstanding approval of the proposed Continuance by Shareholders, the Board, in its sole discretion, may revoke the special resolution and abandon the Continuance without further approval or action by, or prior notice to, Shareholders.

As part of the Continuance Resolution, Shareholders will also be asked to approve the adoption by the Corporation of the new Notice of Articles and Articles, which comply with the requirements of the BCBCA, in substitution for the existing Articles of Incorporation and By-Laws of the Company and any amendments thereto to date. The proposed form of Articles under the BCBCA (the “**Proposed Articles**”) is attached as Schedule “D” to this Information Circular.

### 6(a) Reasons for the Continuance

The Continuance is being proposed for corporate and administrative reasons, and the Board is of the view that it would be appropriate to continue the Corporation into British Columbia under the BCBCA. The Company’s professional advisors are primarily located in British Columbia. The BCBCA also provides increased flexibility with respect to capital management, resulting from more flexible rules relating to dividends, share purchases, redemption, consolidations and accounting for capital. In addition, the harmonization of the BCBCA with applicable securities laws has reduced the regulatory burden as compared to other Canadian jurisdictions.

## 6(b) Procedure to Effect Continuance

In order to effect the Continuance, the following steps must be taken:

- (i) the Corporation must obtain the approval of its Shareholders to the Continuance by way of the Continuance Resolution, being a special resolution to be passed by not less than two-thirds of the votes cast at the Meeting in person or by proxy;
- (ii) the Corporation must make a written application to the registrar of corporations (the “**ABCA Registrar**”) under the ABCA for consent to continue under the BCBCA, such written application to establish to the satisfaction of the ABCA Registrar that the proposed Continuance will not adversely affect the Corporation’s creditors or Shareholders;
- (iii) once the Continuance Resolution is passed and the Corporation has obtained the consent of the ABCA Registrar under the ABCA, in order to obtain a certificate of continuation (the “**Certificate of Continuance**”) under the BCBCA, the Corporation must file with the Registrar of Companies under the BCBCA (the “**BC Registrar**”) a continuation application along with the consent of the ABCA Registrar under the ABCA, and certain prescribed documents under the BCBCA, including the articles that the Corporation will have once it is continued into British Columbia;
- (iv) on the date shown on the Certificate of Continuance, the Corporation will become a company registered under the BCBCA as if it had been incorporated under the BCBCA; and
- (v) the Corporation must then file a copy of the Certificate of Continuation with the ABCA Registrar and receive a certificate of discontinuance under the ABCA (the “**Certificate of Discontinuance**”).

## 6(c) Effect of the Continuance

Upon receipt of the Certificate of Continuance, the *Corporation* will become subject to the BCBCA as if it had been incorporated under the BCBCA, and upon receipt of the Certificate of Discontinuance, the ABCA will cease to apply to the Corporation, thereby completing the Continuance. The Continuance will not create a new legal entity, affect the continuity of the Corporation or result in a change in its business. However, the Continuance will affect certain rights of Shareholders as they currently exist under the ABCA and the Corporation’s existing articles and by-laws. Set out below under “*Comparison of ABCA and BCBCA*” is a summary of some of the key differences in corporate law between the ABCA and BCBCA. A brief description of the material differences between the Corporation’s current articles and by-laws and the Proposed Articles, is set out under “*Comparison of the Corporation’s Articles and By-Laws and Proposed Articles*” below.

The BCBCA provides that when a foreign corporation continues under such legislation:

- (i) the property, rights and interests of the foreign corporation continue to be the property, rights and interests of the company;
- (ii) the company continues to be liable for the obligations of the foreign corporation;
- (ii) an existing cause of action, claim or liability to prosecution is unaffected;
- (iii) a legal proceeding being prosecuted or pending by or against the foreign corporation may be prosecuted or its prosecution may be continued, as the case may be, by or against the company; and
- (iv) a conviction against, or a ruling, order or judgment in favour of or against, the foreign corporation may be enforced by or against the company.

The Continuance will not affect the Corporation's status as a reporting issuer under the securities legislation of any jurisdiction in Canada, and the Company will remain subject to the requirements of such legislation. As of the effective date of the Continuance, the Corporation's current constating documents - its articles and by-laws under the ABCA - will be replaced with a Notice of Articles and the Proposed Articles under the BCBCA, the legal domicile of the Corporation will be the Province of British Columbia, and the Corporation will no longer be subject to the provisions of the ABCA.

#### **6(d) Comparison of the ABCA and the BCBCA**

Upon the completion of the Continuance, the Corporation will be governed by the BCBCA. Although the rights and privileges of shareholders under the ABCA are in many instances comparable to those under the BCBCA, there are several notable differences and Shareholders are advised to review the information contained in this Information Circular and to consult with their professional advisors. In general terms, the BCBCA provides to Shareholders substantively the same rights as are available to Shareholders under the ABCA, including rights of dissent and appraisal and rights to bring derivative actions and oppression actions. There are, however, important differences concerning the qualifications of directors, location of shareholder meetings, certain shareholder remedies and other matters. **The following is a summary comparison of certain provisions of the BCBCA and the ABCA. This summary is not intended to be exhaustive and is qualified in its entirety by the full provisions of the ABCA and BCBCA, as applicable.**

##### **6(d)(i) Charter Documents**

Under the BCBCA, the charter documents consist of: (i) the Notice of Articles, which sets forth, among other things, the name of the company, and the amount and type of authorized capital, and indicates if there are any rights and restrictions attached to the shares; and (ii) the articles, which govern the management of the company. The Notice of Articles is filed with the Registrar, and the articles are filed only with the company's registered and records office.

Similarly, under the ABCA, the charter documents consist of: (i) the Articles of Incorporation, which set forth, among other things, the name of the company, the amount and type of authorized capital, whether there are any restrictions on the transfer of shares of the company, the number of directors (or the minimum and maximum number of directors), any restrictions on the business that the company may carry on and other provisions such as the ability of the directors to appoint additional directors between annual meetings; and (ii) the by-laws, which govern the management of the company. The articles are filed with the ABCA Registrar and the by-laws are filed only with the company's registered and records office.

Except as otherwise described below and herein, the Continuance and the adoption of the Notice of Articles and Proposed Articles will not result in any substantive changes to the constitution, powers or management of the Corporation, except as otherwise described herein. A copy of the Proposed Articles that will be adopted in connection with the Continuance are attached to this Information Circular as Schedule "D".

#### **6(d)(ii) Amendments to Charter Documents**

Any substantive change to the corporate charter of a company under the BCBCA, such as an alteration of the restrictions, if any, on the business carried on by the company, or an alteration of the special rights and restrictions attached to issued shares requires a resolution passed by the majority of votes specified by the articles of the company or, if the articles do not contain such a provision, a special resolution passed by not less than two-thirds of the votes cast on the resolution.

#### **6(d)(iii) Alterations of Share Structure and Change of Name**

Under the BCBCA, if specified in the articles, the board of directors is provided with the flexibility to approve the alteration of the share structure of the company to effect, among other things, the creation of classes of shares, a consolidation of its issued shares or an increase or decrease in the authorized share capital of the company (collectively “**Share Structure Alterations**”). Under the ABCA, in order to effect Share Structure Alterations, a special resolution of the Shareholders of the Company is required.

Similarly, under the BCBCA, the Board may resolve to change the name of the Corporation. Under the ABCA, in order to effect a change of name of the Company, a special resolution of the Shareholders of the Corporation is required.

#### **6(d)(iv) Requisite Shareholder Approval Thresholds**

Under the BCBCA, the shareholder approval thresholds for certain fundamental matters (being an arrangement, conversion, amalgamation, a sale, lease or a disposition of all or substantially all of a company’s undertaking, continuation or liquidation) are specified. However, in all other matters, a company under the BCBCA can use its articles to establish the required shareholder approval thresholds. In addition, where the BCBCA specifies that a special resolution is required to pass certain matters, the company can use its articles to specify the percentage of votes required to pass a special resolution provided the specified percentage is not less than two-thirds and not more than three-quarters of the votes cast.

The ABCA does not provide flexibility with respect to the level of shareholder approval required for ordinary resolutions and special resolutions. Under the ABCA, an ordinary resolution must be passed by a majority of the votes cast by shareholders entitled to vote with respect to the resolution and a special resolution must be passed by not less than two-thirds of the votes cast by the shareholders entitled to vote with respect to the resolution.

#### **6(d)(v) Sale of Undertaking**

Under the BCBCA, a company may sell, lease or otherwise dispose of all, or substantially all, of the undertaking of the company if it does so in the ordinary course of its business or if it has been authorized to do so by a special resolution passed by the majority of votes that the articles of the company specify is required (being not less than two-thirds and not more than three-quarters of the votes cast on the resolution).

The ABCA requires approval of the holders of the shares of a corporation represented at a duly called meeting by not less than two-thirds of the votes cast upon a special resolution for a sale, lease or exchange of all or substantially all of the “property” (as opposed to the “undertaking”) of the corporation, other than in the ordinary course of business of the corporation. Each share of a corporation carries the right to vote in respect of a sale, lease or exchange of all or substantially all of the property of the corporation whether or not it otherwise carries the right to vote. Holders of shares of a class or series can vote only if that class or series is affected by the sale, lease or exchange in a manner different from the shares of another class or series.

While the shareholder approval thresholds will be the same under the BCBCA and the ABCA, there are differences in the nature of the sale which requires such approval, i.e., a sale of all or substantially all of the “undertaking” under the BCBCA and of all or substantially all of the “property” under the ABCA. The BCBCA also exempts certain dispositions by way of security interest, certain limited leases and certain transactions involving affiliates.

Both statutes offer dissent rights in the case of such a transaction.

#### **6(d)(vi) Rights of Dissent and Appraisal**

The BCBCA provides that shareholders who dissent to certain actions being taken by a company may exercise a right of dissent and require the company to purchase the shares held by such shareholder at the fair value of such shares. The dissent right is applicable in respect of:

- (A) a resolution to alter the articles to alter restrictions on the powers of the company or on the business it is permitted to carry on;
- (B) a resolution to adopt an amalgamation agreement;
- (C) a resolution to approve an amalgamation into a foreign jurisdiction;
- (D) a resolution to approve an arrangement, the terms of which arrangement permit dissent;
- (E) a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
- (F) a resolution to authorize the Continuance of the company into a jurisdiction other than British Columbia;
- (G) any other resolution, if dissent is authorized by the resolution; or
- (H) any court order that permits dissent.

The ABCA contains a similar dissent remedy, subject to certain qualifications. Regarding (b) and (c) above, under the ABCA, there is no right of dissent in respect of an amalgamation between a corporation and its wholly-owned subsidiary, or between wholly-owned subsidiaries of the same corporation. The ABCA also contains a dissent remedy where a corporation resolves to amend its articles to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of a class.

#### **6(d)(vii) Oppression Remedies**

Under the BCBCA, a shareholder of a company has the right to apply to the court on the ground that:

- (A) the affairs of the company are being or have been conducted, or that the powers of the directors are being or have been exercised, in a manner oppressive to one or more of the shareholders, including the applicant; or
- (B) that some act of the company has been done or threatened, or that some resolution of the shareholders or of the shareholders holding shares of a class or series of shares has been passed or is proposed, that is unfairly prejudicial to one or more of the shareholders, including the applicant.

On such an application, the court may make any interim or final order it considers appropriate including an order to prohibit any act proposed by the company.

The ABCA contains rights that are substantially broader in that they are available to a larger class of complainants. Under the ABCA, a shareholder, former shareholder, director, former director, officer, or former officer of a corporation or any of its affiliates, or any other person who, in the discretion of the court, is a proper person to seek an oppression remedy, may apply to the court for an order to rectify the matters complained of where in respect of a corporation or any of its affiliates, any act or omission of the corporation or its affiliates effects a result, the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted in a manner, or the powers of the directors of the corporation or its affiliates are or have been exercised in a manner, that is oppressive or unfairly prejudicial to, or that unfairly disregards the interests of, any security holder, creditor, director, or officer.

#### **6(d)(viii) Shareholder Derivative Actions**

Under the BCBCA, a shareholder or director of a corporation may, with leave of the court, bring an action in the name and on behalf of the corporation to enforce a right, duty or obligation owed to the corporation that could be enforced by the corporation itself or to obtain damages for any breach of such a right, duty or obligation.

A broader right to bring a derivative action is contained in the ABCA, and this right also extends to officers, former shareholders, former directors, and former officers of a corporation or its affiliates, and any person, who, in the discretion of the court, is a proper person to make an application to the court to bring a derivative action. In addition, the ABCA permits derivative actions to be commenced, with leave of the court, in the name and on behalf of a corporation or any of its subsidiaries.

#### **6(d)(ix) Requisite Approval**

Under the BCBCA, a company can establish in its articles the levels for various shareholder approvals, other than those levels that are prescribed by the BCBCA. The percentage of votes required for a special resolution can be specified in the articles and may be no less than two-thirds and no more than three-quarters of the votes cast.

The ABCA does not provide flexibility with respect to the level of shareholder approval required for ordinary resolutions and special resolutions. Under the ABCA, an ordinary resolution must be passed by no less than a majority

#### **6(d)(x) Shareholders' Proposals**

A shareholder of a corporation incorporated under the ABCA who is entitled to vote may submit notice of a shareholder proposal. To be eligible to make a proposal, a person must:

- (A) be a registered holder or beneficial owner of a prescribed number of shares for a prescribed period. Under the regulations currently in effect, the prescribed number of shares is the number of voting shares (i) that is equal to at least 1% of all issued voting shares of the corporation as of the day on which the registered holder or beneficial owner of the shares submits a proposal, or (ii) whose fair market value as determined as of the close of business on the day before the registered holder or beneficial owner of the shares submits the proposal is at least \$2,000. Under the regulations currently in effect, the prescribed period is the 6-month period immediately before the day on which the registered holder or beneficial owner of the shares submits the proposal;
- (B) have the prescribed level of support of other registered holders or beneficial owners of shares. Under the regulations currently in effect, the prescribed level of support for the proposal by other registered holders or beneficial owners of shares is at least 5% of the issued voting shares of the corporation;
- (C) provide to the corporation his or her name and address and the names and addresses of those registered holders or beneficial owners of shares who support the proposal; and
- (D) continue to hold or own the prescribed number of shares up to and including the day of the meeting at which the proposal is to be made.

In comparison, a person submitting a proposal under the BCBCA must have been a registered owner or beneficial owner of one or more shares carrying the right to vote at general meetings and must have owned such shares for an uninterrupted period of at least two years before the date of signing the proposal. Similar to the requirements of the ABCA, the proposal must be signed by shareholders who, together with the submitter, are registered or beneficial owners of: (a) at least 1% of the issued shares of the corporation that carry the right to vote at general meetings; or (b) shares with a fair market value exceeding an amount prescribed by regulation (currently \$2,000).

#### **6(d)(xi) Requisition of Meetings**

The BCBCA provides that one or more shareholders of a company holding not less than 5% of the issued voting shares of the company may give notice to the directors requiring them to call and hold a general meeting within four months.

The ABCA permits holders of not less than 5% of the issued shares that carry the right to vote at a meeting to require the directors to call and hold a meeting of shareholders of a company for the purposes stated in the requisition. If the directors do not call a meeting within 21 days of receiving the requisition, any shareholder who signed the requisition may call the meeting.

#### **6(d)(xii) Place of Meetings**

The BCBCA provides that meetings of shareholders may be held at the place outside of British Columbia provided by the Articles, or as approved in writing by the Registrar before such meeting is held, or approved by an ordinary resolution (provided that such a location outside of British Columbia is not restricted as a location for meetings under the Articles). The ABCA provides that meetings of shareholders may be held at the place outside Canada provided by the Articles, or all the shareholders entitled to vote at the meeting agree that the meeting is to be held at that place.

#### **6(d)(xiii) Directors**

Both the BCBCA and ABCA provide that a public company in the case of the BCBCA and a distributing corporation in the case of the ABCA must have a minimum of three directors.

Under the ABCA, directors may be removed by ordinary resolution whereas under the BCBCA, directors may be removed by a special resolution or, if the Articles of a company otherwise provide that a director may be removed by a resolution of the shareholders entitled to vote at general meetings passed by less than a special majority or may be removed by some other method, by the resolution or method specified.

#### **6(d)(xiv) Continuance Resolution Dissent Rights**

The following description of dissent rights to which dissenting Shareholders are entitled is not a comprehensive statement of the procedures to be followed by a dissenting Shareholder who seeks payment of the fair value of such dissenting Shareholder's Common Shares and is qualified in its entirety by the reference to the full text of Section 191 of the ABCA, which is attached to this Information Circular as Schedule "E". The ABCA requires strict adherence to the procedures established therein and failure to do so may result in the loss of all dissenters' rights. Accordingly, each Shareholder who might desire to exercise the dissenters' rights should carefully consider and comply with the provisions of the section and consult such Shareholder's legal advisor.

Shareholders are entitled to dissent in respect of the Continuance in accordance with section 191 of the ABCA. Strict compliance with the provisions of section 191 is required in order to exercise the right to dissent. Provided the Continuance becomes effective, each dissenting Shareholder will be entitled to be paid the fair value of his, her or its Common Shares in respect of which such Shareholder dissents in accordance with section 191 of the ABCA. Persons who are beneficial owners of Common Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only the registered holders of such Common Shares are entitled to dissent.

#### **6(d)(xiv) Continuance Resolution Dissent Rights continued**

Accordingly, a beneficial owner of Common Shares desiring to exercise his, her or its right to dissent must make arrangements for the Common Shares beneficially owned by such person to be registered in his, her or its name, or alternatively, make arrangements for the registered holder of his, her or its Common Shares to dissent on his, her or its behalf. See Schedule "E" to this Information Circular for the full text of section 191. In order to be effective, a written notice of objection to the Continuance Resolution must be received by the Corporation prior to the commencement of the Meeting, or at the Meeting. The registered address of the Corporation for such purpose is Suite 203, 221 – 10<sup>th</sup> Avenue SE, Calgary, Alberta T2G 0V9; Attention: Waskahigan Oil & Gas Corp. The foregoing summary does not purport to provide a comprehensive statement of the procedures to be followed by a dissenting Shareholder who seeks payment of the fair value of his, her or its Common Shares.

**The above is intended only to be a brief summary of the dissenting shareholder provisions of the ABCA. A shareholder of the Corporation wishing to exercise a right to dissent should seek independent legal advice. Failure to comply strictly with the provisions of the statute may prejudice the right of dissent.**

#### **6(e) Proposed Continuance Resolution**

Shareholders will be asked at the Meeting to consider, and, if deemed advisable, to approve, with or without variation, the Continuance Resolution, the text of which is set out below, approving the Continuance.

The text of the Continuance Resolution that management intends to present at the Meeting is as follows:

#### **“BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF SHAREHOLDERS THAT:**

1. The Corporation be authorized to make application to the Registrar of Corporations of Alberta for the issuance of a consent to file Articles of Continuance with the Registrar of Companies (the “**BC Registrar**”) under the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) to continue the Corporation as if it had been incorporated under the BCBCA, and to make application to the Registrar of Corporations of Alberta for the issuance of a Certificate of Discontinuance;
2. The Corporation be authorized to file Articles of Continuance with the BC Registrar to continue the Corporation as if it had been incorporated under the BCBCA;
3. The Articles of Continuance shall make any amendments to the Corporation’s articles necessary to make the Articles of Continuance conform to the provisions of the BCBCA, and may make such other amendments as would be permitted under the BCBCA if the Corporation had been incorporated under the BCBCA;
4. Effective upon the issuance of the Certificate of Continuance, the board of directors of the Corporation is hereby authorized to determine, from time to time, the number of directors within the minimum and maximum number provided for in the articles of the Corporation;
5. Any director or officer of the Corporation is hereby authorized, empowered and instructed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person’s opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing; and
6. Notwithstanding that this special resolution has been duly passed by the shareholders of the Corporation, the directors of the Corporation be, and they hereby are, authorized and empowered to revoke this special resolution at any time before it is acted on and to determine not to proceed with the continuance of the Corporation under the BCBCA without further approval of the shareholders of the Corporation.”

**Management of the Corporation recommends that Shareholders vote in favour of the Continuance Resolution as defined herein. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Continuance Resolution.**

#### **7. Approval of BC Company Articles**

The Corporation is seeking Shareholder approval to replace its articles (the “**Current Articles**”), conditional upon completion of the Continuance, with a new form of articles (the “**New Articles**”), attached hereto as Schedule “D” with a view to incorporating the latest changes in laws and procedures and to providing the Corporation with greater flexibility in certain circumstances. The Corporation’s Current Articles, adopted by the Corporation on its formation, are more appropriate for a private company and, as the Corporation is planning to go public, Management believes that the New Articles that are more appropriate for publicly listed companies and relate to British Columbia should be adopted.

#### **Proposed Adoption of New Articles Resolution**

Accordingly, at the Meeting, Shareholders will be asked to pass a special resolution to approve and adopt the New Articles (the “**Adoption of New Articles Resolution**”), substantially in the following form:

**“BE IT HEREBY RESOLVED, AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS OF THE CORPORATION THAT:**

1. Conditional upon the completion of continuance of the Corporation from the provincial jurisdiction of Alberta into the provincial jurisdiction of British Columbia, the Current Articles of the Company are cancelled in their entirety and the New Articles, as more particularly described in the Corporation’s Management Information Circular dated March 11, 2026, be adopted as the Articles of the Corporation in substitution for, and to the exclusion of, the existing articles of the Corporation;
2. any director or officer of the Corporation is hereby authorized, empowered and instructed, acting for, in the name and on behalf of Corporation, to execute or cause to be executed, under the seal of Corporation or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person’s opinion may be necessary or desirable in order to carry out the intent of these resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing;
3. the directors of the Corporation are hereby authorized and granted with absolute discretion to determine whether or not to proceed with the foregoing resolution, without further approval, ratification or confirmation by the Shareholders.

**8. Appointment of Auditors**

Effective December 2024, MNP LLP was appointed as auditors on and unless otherwise directed, the management designees named in the accompanying instrument of proxy intend to vote in favour of the re-appointment of MNP LLP as auditors of the Corporation, or such auditors as management may approve, to hold office until the close of the next annual meeting, at a remuneration to be determined by the Board of Directors of the Corporation. Approval of the appointment of the auditors will require the affirmative votes of the holders of not less than half of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. **Unless instructed otherwise, the persons named in the accompanying Instrument of Proxy intend to vote FOR the resolution.**

**9. Other Matters**

While there no other business other than that business mentioned in the Notice of Meeting to be presented for action by the shareholders at the Meeting, **it is intended that the proxies hereby solicited will be exercised upon any other matters and proposal that may properly before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

**STATEMENT OF EXECUTIVE COMPENSATION**

**Compensation Discussion and Analysis**

Executive Compensation is required to be disclosed for each (i) Chief Executive Officer (or individual who served in a similar capacity during the most recently completed financial year), (ii) each Chief Financial Officer (or individual who served in a similar capacity during the most recently completed financial year), (iii) each of the three most highly compensated executive officers (other than the Chief Executive Officer and the Chief Financial Officer) who were serving as executive officers at the end of the most recently completed fiscal year (or three most highly compensated individuals) and whose total compensation was, individually, more than \$150,000; and (iv) each individual who would meet the definition set forth in (iii) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year (the "Named Executive Officers"). The Named Executive Officers of the Corporation for the most recently completed financial year are Gregory J. Leia, President and Chief Executive Officer from December 2021 to March 2026. Tracy Zimmerman was the Chief Financial Officer of WOGC from January 2021. There were no other Named Executive Officers for the year ending on December 31,

2023, as no other employees earned in excess of \$150,000. Named Executive Officers are also eligible to participate in the Corporation's current stock option plan (the "WOGC Option Plan") as described herein.

### ***Philosophy and Objectives***

As the Corporation does not have a compensation committee, the functions of a compensation committee are performed by the Board of Directors as a whole and the compensation of the Named Executive Officers is reviewed and approved annually by the Board of Directors. The objective of the Board of Directors in setting compensation levels is to attract and retain individuals of high calibre to serve as officers of the Corporation, to motivate their performance in order to achieve the Corporation's strategic objectives and to align the interests of executive officers with the long-term interests of the Shareholders. These objectives are designed to ensure that the Corporation continues to grow on an absolute basis as well as to grow cash flow and earnings for Shareholders. The Board of Directors set the compensation received by Named Executive Officers so as to be generally competitive with the compensation received by persons with similar qualifications and responsibilities who are engaged by other companies of corresponding size, stage of development, having similar assets, number of employees, market capitalization and profit margin. In setting such levels, the Board of Directors rely primarily on their own experience and knowledge.

### ***Compensation***

Compensation provided to Named Executive Officers consists of: (i) base compensation; (ii) other compensation; and (iii) stock options granted pursuant to the Option Plan. Employment or management agreements entered into with Named Executive Officers provide that the salary or other compensation is subject to normal periodic review on or about the anniversary date of any such agreement. In addition to the salary or other compensation, the Board of Directors may from time to time pay a bonus to Named Executive Officers for either the accomplishment of specific performance criteria or for exceptional performance. Pursuant to the Option Plan, the Board of Directors, at its discretion, determines all grants of stock options to Named Executive Officers. Such grants are considered incentives intended to align the Named Executive Officers' and Shareholders' interests in the long term. The Corporation emphasizes stock options in executive compensation as they allow the Named Executive Officers to share in corporate results in a manner that is relatively cost-effective despite the effects of treating stock options as a compensation expense.

**Compensation of Gregory J. Leia, President**

Mr. Leia was not paid a salary by the Corporation. Mr. Leia practices law, through a professional corporation, in association with other lawyers and administrative staff under the trade name “Wolff Leia”. Wolff Leia billed the Corporation the sum of \$ \_\_\_\_\_ inclusive of all fees, disbursements, other charges and GST for the fiscal year ending December 31, 2024 (\$110,708 for the year ended December 31, 2023) almost all of which was billed by Mr. Leia at an hourly rate of \$250 plus GST for Mr. Leia’s services to WOGC. for legal fees for the fiscal year ending December 31, 2022 (\$198,250). During the fiscal years ended December 31, 2024, Mr. Leia did not receive any other compensation from WOGC for his role as an officer of WOGC nor did he receive compensation for his role as a director of WOGC. During the fiscal years ended December 31, 2023 and December 31, 2022, Mr. Leia did not receive any other compensation from WOGC for his role as an officer of WOGC nor did he receive compensation for his role as a director of WOGC. For a summary of compensation paid to Mr. Leia in respect of the years ended December 31, 2024, December 31, 2023 and December 31, 2022 please refer to the Summary Compensation Table below.

**Compensation of Tracy Zimmerman, Chief Financial Officer**

Mr. Zimmerman was not paid a salary by the Corporation nor did he receive any executive compensation as interim CFO or director. Oilrac Enterprises Inc, a related party, charged consulting fees \$29,326. [for year] For a summary of compensation paid to Mr. Zimmerman in respect of the years ended December 31, 2024 (WOGC), December 31, 2023 and December 31, 2022 please refer to the Summary Compensation Table below. The following table sets forth information concerning the total compensation paid for the 12 months ended December 31, 2025 (unaudited) and during the years ended December 31, 2024, 2023 and 2022 to the Named Executive Officers.

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission <sup>(1)(2)</sup> (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Gregory J. Leia CEO and Director	2025	\$314,335	Nil	Nil	Nil	\$30,647	\$344,982
	2024	\$16,798	Nil	Nil	Nil	Nil	\$6,798
	2023	\$110,708	Nil	Nil	Nil	Nil	\$110,708
	2022	\$198,250	Nil	Nil	Nil	Nil	\$198,250
Tracy Zimmerman CFO <sup>(3)</sup>	2025	\$6,800	Nil	Nil	Nil	Nil	\$6,800
	2024	\$24,000	Nil	Nil	Nil	Nil	\$24,000
	2023	4,600	Nil	Nil	Nil	Nil	4,600
	2022	25,560	Nil	Nil	Nil	Nil	25,560

Notes:

(1) Mr. Leia became CEO in December 2009. Gregory J. Leia is a lawyer and fees were billed through his law firm Wolff Leia. From January 1, 2024 to June 30, 2025, Fox Creek Energy Ltd. was a wholly owned subsidiary of Waskahigan Oil & Gas Corp. From January 1, 2024 to June 30, 2025, the sole asset of Fox Creek Energy Ltd was shares in Odaat Oil Corp. Odaat Oil Corp carried on an active oil and gas business in Alberta. On June 30, 2025, the shares of Fox Creek Energy Ltd were divided to the shareholders of Waskahigan Oil & Gas Corp pursuant to a plan of arrangement. On September 30, 2025, Fox Creek Energy Ltd sold the shares of Odaat Oil Corp. The compensation figures reflect an accounting treatment for discontinued operations and do not reflect the time period such consulting fees were incurred.

(2) Waskahigan Oil & Gas Corp, Fox Creek Energy Ltd. and Odaat Oil Corp borrowed monies from Smoky Oil & Gas Corp (an entity controlled by Mr. Leia). Interest was charged in the amount of \$11,737 in 2025 and \$33,776 in 2024. These sums are not reflected in the compensation table.

(3) Mr. Zimmerman became a director on January 12, 2021. Debts accrued to Oilrac Enterprises Inc, a related party to Mr. Zimmerman were for geophysical consulting services to the issuer as an independent contractor and not an employee.

**Incentive Awards Outstanding Share-Based Awards and Option-Based Awards**

The Corporation's Option Plan was approved by the Shareholders of the Corporation in December 2024. The Option Plan has been established to provide an incentive to the directors, officers, employees, consultants and other personnel of the Corporation to achieve the longer-term objectives of the Corporation, to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation and to attract to and retain in the employ of the Corporation, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation. No share-based (as opposed to option-based) awards have been

granted to the Corporation's Named Executive Officers for fiscal period ended December 31, 2025. December 31, 2024, December 31, 2023.

*Incentive Awards – Value Vested or Earned During the Year*

The following table summarizes the value of options held by Named Executive Officers that vested: (a) during the years ended December 31, 2022, December 31, 2023; December 31, 2024; and (b) for the 12 month period ended December 31, 2025 (unaudited).

Name and Principal Position	Option-Based Awards – Value Vested During the Year (\$) <sup>(1)</sup>	Share-Based Awards – Value Vested During the Year (\$) <sup>(2)</sup>	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
<i>No directors received incentive awards</i>	Nil	Nil	Nil

**Pension Plan Benefits**

The Corporation does not have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement.

**Termination and Change of Control Benefits**

Pursuant to the terms of the WOGC Option Plan, in the event the optionholder resigns his employment, a consultant's contract terminates, or if an optionholder is terminated without cause, the optionholder may exercise such part of the option as is exercisable immediately prior to the time of such termination within a period which is the earlier of the normal expiry date of the option and 90 days following such resignation or termination and all unexercised options of the optionee will immediately terminate forthwith without further notice. If the optionee reaches the mandatory age of retirement or his services cease due to permanent disability, the optionholder may exercise such part of the option as is exercisable immediately prior to the time of retirement or cessation within a period which is the earlier of the normal expiry date of the option and 6 months following the date of retirement or cessation of services and all unexercised options of the optionee will immediately terminate forthwith without further notice. In the event of the death of the optionee, any options which the optionee could have exercised immediately prior to death are exercisable by the executors or personal representatives of the optionee within the earlier of the normal expiry date of the option and six months of the optionee's death and all unexercised options of the optionee will immediately terminate forthwith without further notice. All options which remain unvested will vest and become fully exercisable by the optionee for 30 days following the consummation of a change of control. Other than the aforementioned agreements, there are no compensatory plans, contracts or arrangements with any Named Executive Officer (including payments to be received from the Corporation or any subsidiary), which result or will result from the resignation, retirement or any other termination of employment of such Named Executive Officer or from a change of control of the Corporation or any subsidiary thereof or any change in such Named Executive Officer's responsibilities, where the Named Executive Officer is entitled to payment or other benefits.

## Compensation of Directors

The Corporation has no standard arrangement pursuant to which directors of the Corporation are compensated by the Corporation for their services in their capacity as directors, however, all Board members are reimbursed for expenses incurred as part of their role as directors. Further, the Board of Directors may provide consulting fees to the directors as the Board sees fit. Each director who is not otherwise a full-time employee of the Corporation is eligible to receive stock options of the Corporation.

The following table summarizes all amounts of compensation provided to the directors, in their capacities as directors, during the year ended December 31, 2022, December 31, 2023, December 31, 2024; and to December 31, 2025 (unaudited).

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
Gregory J. Leia <sup>(1)(2)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gerald Roe	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Craig Leggatt	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Tracy Zimmerman	Nil	Nil	Nil	Nil	Nil	Nil	Nil

### Notes:

- (1) For a description of all compensation paid to Mr. Leia please refer to the sections herein entitled "*Compensation of Gregory J. Leia, President*", "*Summary Compensation Table*" and "*Incentive Awards*".
- (2) Messrs. Gregory Leia, Gerald Roe, Craig Leggatt and Tracy Zimmerman were appointed to the Board of Directors of WOGC effective December 2021.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as at the end of the Corporation's most recently completed financial year with respect to compensation plans under which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	0	0	342,306
Equity compensation plans not approved by securityholders	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>342,306</b>

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors and officers of the Corporation, any proposed management nominee for election as a director of the Corporation or any associate of any director, officer or proposed management nominee is or has been indebted to the Corporation at any time during the last completed financial year.

## INTEREST OF INFORMED PERSONS IN

## MATERIAL TRANSACTIONS

Except as disclosed in this Management Proxy Circular, none of the informed persons of the Corporation (as defined in National Instrument 51-102), nor any proposed nominee for election as a director of the Corporation, nor any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to the issued shares of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which, in either case, has or will materially affect the Corporation and none of such persons has any material interest in any transaction proposed to be undertaken by the Corporation that will materially affect the Corporation.

## MANAGEMENT CONTRACTS

The Corporation does not have in place any management contracts between the Corporation and any directors or officers and there are no management functions of the Corporation that are to any substantial degree performed by a person or company other than the directors or officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

## CORPORATE GOVERNANCE

Please see the attached **APPENDIX "F"** for information on the Corporation's Corporate Governance (Form 58-101F2).

## AUDIT COMMITTEE

### *Audit Committee Charter*

The Charter of the Corporation's Audit Committee is attached to this Management Proxy Circular as **APPENDIX "G"**.

### *Composition of the Audit Committee*

The following are the members of the Committee as of the date of this Management Proxy Circular:

<b>Name</b>	<b>Independent<sup>(1)</sup></b>	<b>Financially literate<sup>(2)</sup></b>
Gerald Roe	Yes	Yes
Tracy Zimmerman	No	Yes

**Notes:**

(1) As defined in Multilateral Instrument 52-110 ("**MI 52-110**").

(2) As defined by MI 52-110.

Following the Meeting and election of new directors, it is expected that Ross Ewaniuk will be CEO and the proposed audit committee shall consist of Gerald Roe, Gregory J. Leia and Jamil Kassam (all of whom will be independent)

### *Education and Experience*

Mr. Roe has over 48 years of experience in the upstream oil and gas industry. Mr. Roe was a Director and Chairman of the Board of GasFrac Energy Services Inc. an oil services company listed on the TSX until June 2014. Mr. Roe was the Chief Operating Officer (from January 2005 to November 2007) and the Vice-President, Operations (from May 2004 and January 2005) of Oilexco Incorporated, an oil and gas company that was listed on the TSX and the London Stock Exchange. Since October 2003, Mr. Roe has been a director of ExGen Resources Ltd. (formerly Boxxer Gold Corp.), a mining company listed on the TSXV. From May 2009 to 2013, Mr. Roe was the VP Operations of Canadian Overseas Petroleum Limited, an oil and gas company listed on the TSXV. Mr. Roe received a Bachelor of Science in Mechanical Engineering in 1965 from the Montana State University.

Mr. Zimmerman holds a Geological Engineering degree from the University of Saskatchewan. Mr. Zimmerman holds a Professional Geoscientist designation from APEGA. Mr. Zimmerman was a director of Tenth Avenue Petroleum Corp. from June 2019 to December 2021. Mr. Zimmerman has 34 years of experience in the oil and gas industry primarily in western Canada. Mr. Zimmerman has been CFO for the Company since 2021.

#### ***Audit Committee Oversight***

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

#### ***Reliance on Certain Exemptions***

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of MI 52-110 (*De Minimis Non-audit Services*), or an exemption from MI 52-110, in whole or in part, granted under Part 8 of Multilateral Instrument 52-110.

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

The Committee has not adopted specific policies and procedures for the engagement of non-audit services as described below under the heading "External Auditors", however it is within the mandate of the Audit Committee to arrange for the engagement of such services.

#### ***External Auditor Service Fees (By Category)***

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for audit fees are as follows:

<b>Financial Year Ending</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees</b>	<b>Tax Fees<sup>(2)</sup></b>	<b>All Other Fees</b>
2024	\$65,000	Nil	Nil	Nil
2023	\$55,000	\$20,000	Nil	Nil

#### **Notes:**

- (1) Fees associated with the audit of the financial statements. Excludes GST and public co audit assessments  
 (2) Fees incurred for the preparation of the Corporation's income tax returns and the filing of returns.

#### ***Exemption***

The Corporation is relying on the exemption provided in Section 6.1 of MI 52-110.

#### ***Delisting by CSE***

Prior to August 12, 2026, WOGC will have to apply to the CSE for approval of the business combination. WOGC shall have no assets. WOGC will not meet CSE minimum listing or maintenance requirements. WOGC will be delisted from the CSE. The CSE is not required to grant an extension of time prior to delisting CSE pending any proposed RTO transaction.

### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) which can be accessed at [www.sedar.com](http://www.sedar.com). Financial information on the Corporation is provided in the comparative financial statements and management discussion and analysis of the Corporation which can also be accessed at [www.sedar.com](http://www.sedar.com) or which may be obtained upon request from the Corporation at 203, 221-10<sup>th</sup> Avenue SE, Calgary, Alberta, T2G 0V9.

APPENDIX "A"  
**WASKAHIGAN OIL & GAS CORP.**

**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND DECEMBER 31, 2023**  
**(IN CANADIAN DOLLARS)**

To the Shareholders of Waskahigan Oil & Gas Corp.:

**Opinion**

We have audited the consolidated financial statements of Waskahigan Oil & Gas Corp. and its subsidiaries (the "Company"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of loss and comprehensive loss, cash flows and changes in shareholders' equity (deficiency) for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board.

**Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company had a working capital deficiency and an accumulated deficit. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

***The impact of oil, natural gas, and natural gas liquid reserves on oil and gas properties and the assessment of the recoverable amount of oil and gas properties***

***Key Audit Matter Description***

We refer to Notes 2, 3, and 9. The Company had \$2.3 million of oil and gas properties as at December 31, 2024. Depletion expense was \$73.107 for the year then ended. The Company depletes its oil and gas properties on a unit-of-production basis over the life of their proved plus probable (2P) reserves. The Company identified indicators of impairment as at December 31, 2024 related to the Company's cash generating unit. The Company therefore determined the recoverable amount as of December 31, 2024 and determined the recoverable amount exceeded its carrying amount. Key assumptions developed by management to determine 2P reserves include forward price estimates, expected future rates of production, the amount and timing of future development expenditures, and future royalties and operating expenditures. The Company's reserves are evaluated by an independent qualified reserve evaluator (management's expert).

We identified the impact of oil, natural gas, and natural gas liquid reserves on oil and gas properties and the assessment of the recoverable amount of oil and gas properties as a key audit matter due to:

- The significant estimates and judgments used by management, including the use of management's expert, to estimate the 2P reserves.
- The significant auditor judgment required.
- The effort in performing procedures related to the key assumptions used.

***Audit Response***

We responded to this matter by performing procedures in relation to the impact of oil, natural gas, and natural gas liquid reserves on oil and gas properties and the assessment of the recoverable amount of oil and gas properties. Our audit work in relation to this included, but was not restricted to, the following:

- Evaluated the competence, capabilities and objectivity of the independent qualified reserve evaluator engaged by the Company, who estimated the 2P reserves. We evaluated the methodology used by the independent qualified reserves evaluator to estimate the 2P reserves for compliance with the applicable regulatory standards. Procedures included gaining an understanding of the work performed by management's expert, testing the data and assumptions used by management's expert, and evaluating their findings.
- Evaluated the key assumptions used by management in determining 2P reserves and the reasonableness thereof. Procedures included:
  - Testing of forward price estimates by comparing to third-party industry forecasts.
  - Using the past and current performance of the Company to evaluate expected future rates of production and the timing and amount of future development expenditures.
  - Assessing whether the estimates used were consistent with audit evidence gathered in other areas of our audit.
- Compared the current year actual CGU production volumes, royalty rates, operating and capital costs to those estimates used in the prior year estimate of proved reserves by CGU to assess the Company's ability to accurately forecast.
- Obtained an understanding of the Company's processes and controls over the 2P reserves, assessment of the recoverable amount and depletion expense.
- Recalculated depletion expense.

### **Other Matter**

The consolidated financial statement for the year ended December 31, 2023 were audited by another auditor who expressed an unmodified opinion on those statements on May 1, 2024.

### **Other Information**

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Stephen Bonnell.

Calgary, Alberta

April 29, 2025

**Appendix A**  
**Page 5**

Chartered Professional Accountants

**MNP**

# WASKAHIGAN OIL & GAS CORP.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT

In Canadian Dollars

	Notes	December 31, 2024		December 31, 2023
<b>ASSETS</b>				
<b>Current</b>				
Cash		\$ -	\$	54,091
Restricted cash held in trust	6	95,440		95,440
Trade and other receivables	4	200,644		78,625
Prepaid expenses and deposits		48,696		53,455
		344,780		282,211
<b>Long term</b>				
Restricted investments	7	150,581		159,534
Exploration and evaluation assets	8	5,067		5,067
Property and equipment	9	2,282,833		2,189,967
		\$ 2,783,241	\$	2,636,779
<b>LIABILITIES</b>				
<b>Current</b>				
Bank overdraft		\$ 74,788	\$	-
Accounts payable and accrued liabilities	15	768,747		501,312
Promissory note	5, 15	43,167		-
Loan payable	10, 15	1,167,326		1,139,061
Deferred income		11,842		833
Asset retirement obligation	11	263,501		173,908
		2,329,371		1,815,114
<b>Long term</b>				
Asset retirement obligation	11	943,778		843,806
<b>Total liabilities</b>		3,273,149		2,659,020
<b>DEFICIENCY</b>				
Share capital	12	134,315		134,315
Contributed surplus		603,524		603,524
Deficit		(1,227,747)		(760,080)
		(489,908)		(22,241)
		\$ 2,783,241	\$	2,636,779

Going concern 1

Signed "Gregory J Leia"  
Gregory J. Leia, Director

Signed "Tracy Zimmerman"  
Tracy Zimmerman, Director

The accompanying notes are an integral part of these consolidated financial statements

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# WASKAHIGAN OIL & GAS CORP.

## CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

In Canadian Dollars

FOR THE YEARS ENDED

	Note	December 31, 2024	December 31, 2023
<b>REVENUE</b>			
Oil and natural gas sales	19	\$ 463,900	\$ 1,033,824
Royalties		(58,268)	(167,330)
		<b>405,632</b>	<b>866,494</b>
<b>EXPENSES</b>			
Production and transportation		338,932	613,993
General and administrative		378,910	285,951
Accretion	11	32,700	34,588
Depletion and depreciation	9	73,465	117,654
		<b>824,007</b>	<b>1,052,164</b>
<b>LOSS FROM OPERATIONS</b>		<b>(418,375)</b>	<b>(185,670)</b>
Other income (expense) items			
Interest income		8,516	6,840
Interest expense		(67,313)	(69,870)
Other income	5	13,168	53,588
Foreign exchange		(3,663)	(79)
<b>LOSS AND COMPREHENSIVE LOSS</b>		<b>\$ (467,667)</b>	<b>\$ (195,191)</b>
<b>LOSS PER SHARE</b>			
Basic and diluted	14	\$ (0.04)	\$ (0.01)

The accompanying notes are an integral part of these consolidated financial statements

# WASKAHIGAN OIL & GAS CORP.

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED

In Canadian Dollars

	Note	December 31, 2024	December 31, 2023
<b>OPERATING ACTIVITIES</b>			
Net loss		\$ (467,667)	\$ (195,191)
Items not affecting cash:			
Depletion and depreciation	9	73,465	117,654
Interest income accrued		(8,516)	-
Loan interest accrued		34,021	(19,331)
Accretion	11	32,700	34,566
Foreign exchange		2,339	-
Government grants	20	-	(52,088)
Restricted cash spent	6	-	69,189
Settlement of asset retirement obligations	11	(9,566)	(125,637)
Changes in non-cash working capital	18	161,184	100,866
<b>CASH USED IN OPERATING ACTIVITIES</b>		<b>(182,040)</b>	<b>(69,972)</b>
<b>FINANCING ACTIVITIES</b>			
Bank indebtedness		74,788	-
Proceeds received from promissory note	5	53,996	-
Promissory note funds used	5	(13,168)	-
Proceeds received from loan	10	7,000	68,700
Repayment of loan principal	10	(12,756)	(6,727)
<b>CASH PROVIDED BY FINANCING ACTIVITIES</b>		<b>109,860</b>	<b>61,973</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of long term investments	7	-	(6,840)
Interest received from long term investments	7	17,489	-
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>		<b>17,489</b>	<b>(6,840)</b>
<b>NET CHANGE IN CASH</b>		<b>(54,691)</b>	<b>(14,839)</b>
<b>CASH, beginning of year</b>		<b>54,691</b>	<b>69,530</b>
<b>CASH, end of year</b>		<b>\$ -</b>	<b>\$ 54,691</b>
Interest paid		\$ 33,829	\$ 87,190

The accompanying notes are an integral part of these consolidated financial statements

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# WASKAHIGAN OIL & GAS CORP.

## CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIENCY)

In Canadian Dollars

FOR THE YEARS ENDED

2024	Share Capital	Contributed Surplus	Deficit	Total Deficiency
Balance, January 1, 2024	\$ 134,315	\$ 603,524	\$ (760,080)	\$ (22,241)
Net loss for the year	-	-	(467,667)	(467,667)
<b>Balance, December 31, 2024</b>	<b>\$ 134,315</b>	<b>\$ 603,524</b>	<b>\$ (1,227,747)</b>	<b>\$ (489,908)</b>

2023	Share Capital	Contributed Surplus	Deficit	Total Deficiency
Balance, January 1, 2023	\$ 134,315	\$ 559,699	\$ (521,064)	\$ 172,950
Net loss for the year	-	-	(195,191)	(195,191)
Disposal of subsidiary (note 1)	-	43,825	(43,825)	-
<b>Balance, December 31, 2023</b>	<b>\$ 134,315</b>	<b>\$ 603,524</b>	<b>\$ (760,080)</b>	<b>\$ (22,241)</b>

The accompanying notes are an integral part of these consolidated financial statements

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# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

### 1. NATURE OF OPERATIONS AND GOING CONCERN

Waskahigan Oil & Gas Corp. ("WOGC") is in the business of exploring for, developing, and producing petroleum and natural gas properties in Western Canada. WOGC is a company domiciled in Canada. The address of WOGC's registered office is 203, 221 10th Avenue SE, Calgary, Alberta.

Effective December 31, 2023, the Company sold all of the issued and outstanding shares of its subsidiary Jadela US to a company that is controlled by a director of the Company for total proceeds of \$1 plus any proceeds less related costs associated with any future sale of the shares of Jadela US. The Company does not expect to receive any future proceeds from this disposition. The disposition resulted in a gain on disposal of \$1.

The accompanying consolidated financial statements have been prepared using the going concern assumption which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

For the year ended December 31, 2024, the Company generated a net loss of \$467,667 (2023 – \$195,191), has current liabilities in excess of current assets of \$1,984,591 (2023 - \$1,532,903) and an accumulated deficit of \$1,227,747 (2023 – \$760,080). The Company has relied on support from various creditors and lenders (Note 10) to finance its operations. The continued volatility in global commodity prices and equity markets creates significant uncertainties which may impact the Company's future operations, revenues and its ability to access the capital necessary to execute on its business plans. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

The future operations of the Company are dependent on the continued support from its creditors and lenders and the Company's ability to raise additional capital through equity or debt financings or the sale of assets. While the Company has been successful in securing financing in the past, there is no assurance that it will be able to do so in the future.

These consolidated financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not appropriate, the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these consolidated financial statements.

### 2. MATERIAL ACCOUNTING POLICIES

#### Basis of presentation and measurement

Statement of compliance:

These financial statements have been prepared in accordance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The consolidated financial statements of the Company include the accounts of WOGC and its wholly owned subsidiary, Fox Creek Energy Ltd. ("FCE") and Odaat Oil Corp ("Odaat"), a wholly owned subsidiary of FCE (collectively WOGC, Odaat and FCE are referred to as (the "Company")) and have been prepared by management. These consolidated financial statements were authorized for issue by the Board of Directors on April 30, 2025.

These consolidated financial statements have been prepared on a historical cost basis. The consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency, as well as the functional currency of the Company and its subsidiaries.

# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

### Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and deposits with banks. The Company does not have any cash equivalents as at December 31, 2024 and 2023. Cash and cash equivalents that are not available for use are classified as restricted cash. When restricted cash is not expected to be used within the next twelve months, it is classified as a long-term asset.

### Property and equipment and exploration and evaluation assets

#### Exploration and evaluation assets

Costs of exploring for and evaluating oil and natural gas properties (exploration and evaluation assets or "E&E Assets") are capitalized within exploration and evaluation assets. These costs include lease acquisition costs, geological and geophysical expenditures, costs of drilling and completion of wells, plant and production equipment costs and related overhead charges. E&E assets do not include costs of general prospecting, or evaluation costs incurred prior to having obtained the legal rights to explore an area, which are expensed as incurred. Interest is not capitalized on E&E Assets.

E&E Assets are not depleted or depreciated and are carried forward until technical feasibility and commercial viability is considered to be determined. The technical feasibility and commercial viability is generally considered to be determined when proved plus probable reserves are determined to exist and the production of oil and gas has commenced. A review of each exploration license or field is carried out, at least annually, to ascertain whether proved plus probable reserves have been discovered and production has commenced. Upon determination of proved plus probable reserves and commencement of production, E&E Assets attributable to those reserves are first tested for impairment and then reclassified from E&E assets to oil and natural gas interests, a separate category within property and equipment ("PP&E").

#### Property and equipment

PP&E is stated at cost; less accumulated depletion, depreciation, and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, and costs attributable to bring the asset into operation, and the initial estimate of decommissioning obligation. Costs incurred subsequent to the determination of technical feasibility and commercial viability and the costs of replacing parts of PP&E are recognized as oil and natural gas interests only when they increase the future economic benefits embodied in the specific asset to which they relate. Such capitalized oil and natural gas interests generally represent costs incurred in developing proved and/or probable reserves and bringing in or enhancing production from such reserves and are accumulated on a field or geotechnical area basis. All other expenditures including the costs of day-to-day servicing of oil and gas properties are recognized in the consolidated statements of loss and comprehensive loss.

#### Depletion and depreciation

The net carrying value of developed and producing fields are depleted using the unit of production method by reference to the ratio of production in the period to the related proved plus probable reserves, taking into account estimated future development costs necessary to bring those reserves into production. Future development costs are estimated taking into account the level of development required to produce the reserves. Total proved plus probable reserves are estimated by independent reserve engineers at least annually.

# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

Other property and equipment are depreciated over their estimated useful lives at the following annual rates and methods:

Other assets - Computer equipment	30%	declining balance
Other assets - Office equipment	20%	declining balance

Depreciation methods, useful lives and residual values are reviewed at least annually.

### Impairment

The carrying amounts of E&E Assets and PP&E are reviewed at each reporting date to determine whether there is any indication of impairment, such as decreased commodity prices or downward revisions in reserves volumes. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount is the greater of the value in use or fair value less costs to sell.

For the purpose of impairment testing, PP&E are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets — cash generating units ("CGU"). All of the company's oil and gas properties constitute a single CGU.

Value in use is based on the estimated future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The recoverable amount is generally computed by reference to the present value of the future cash flows expected to be derived from production of proved and probable reserves. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the consolidated statements of loss and comprehensive loss.

Impairment losses recognized in respect of CGU's are allocated to reduce the carrying amounts of the assets in the unit on a pro rata basis.

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depletion and depreciation or amortization, if no impairment loss had been permitted to be recognized.

### Asset retirement obligations

Asset retirement obligations include legal obligations to retire tangible long-lived assets such as well sites, pipelines, and production facilities. Provision is made for the estimated cost of site restoration and capitalized in the relevant asset category.

Asset retirement obligations are measured at the present value of management's best estimate of expenditures required to settle the present obligation at the consolidated statements of financial position date. Subsequent to the initial measurement, the obligations are adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. The increase in the provision due to the passage of time is recognized as accretion expense whereas increases/decreases due to changes in the estimated future cash flows are capitalized and recorded as a revision. Actual costs incurred upon settlement of the decommissioning obligations are charged against the provision to the extent the provision was established.

# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

### Revenue recognition

Revenue from the sale of oil, natural gas and natural gas liquids ("NGLs") is recognized when performance obligations in the sales contract are satisfied and it is probable that the Company will collect the consideration to which it is entitled. Performance obligations are satisfied at the point in time when the product is delivered to a location specified in the contract and control passes to the customer. The Company assesses customer creditworthiness before entering into contracts and throughout the revenue recognition process.

Contracts for sale of the Company's oil, natural gas and NGLs products generally have terms of less than a year. These contracts specify delivery of product throughout the term of the contract. Sales of the Company's oil, natural gas, and NGLs are made pursuant to contracts based on prevailing pricing at or near the time of delivery and volumes of product delivered. The Company sells its oil, natural gas, and natural gas liquids production pursuant to variable price contracts. The transaction price for variable priced contracts is based on a benchmark commodity price, adjusted for quality, location or other factors, whereby each component of the pricing formula (apart from the benchmark commodity price) can be either fixed or variable, depending on the contract terms. Revenues are typically collected on the 25th day of the month following the prior month's production, with revenue being recorded once the product is delivered to a contractually agreed upon delivery point.

Revenues are typically collected in the month following delivery and accordingly, the Company has not adjusted for the effects of a financing component.

Revenue in the consolidated statements of loss and comprehensive loss represents the Company's share of product sales and excludes amounts collected on behalf of third parties.

### Jointly owned assets

A percentage of the Company's exploration and production activities are conducted jointly with others, whereby two or more parties jointly own the assets. These consolidated financial statements reflect only the Company's share of these jointly owned assets and, once production commences, a proportionate share of the relevant revenue and related costs.

### Financial instruments

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are not offset unless the Company has the legal right to offset and intends to settle on a net basis or settle the asset and liability simultaneously.

The Company initially measures all financial assets at fair value. Financial assets are subsequently classified as measured at fair value through profit and loss ("FVTPL"), fair value through other comprehensive income ("FVOCI"), or amortized cost. All of the Company's non-derivative financial instruments are measured at amortized cost using the effective interest method, less any impairment losses. Any gain or loss on derecognition is recognized directly in the consolidated statements of loss and comprehensive loss. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

The Company classifies cash, restricted cash held in trust, trade and other receivables, and restricted investments as financial assets at amortized cost.

The Company classifies accounts payable and accrued liabilities, promissory notes, and the loan payable as financial liabilities at amortized cost.

# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

### *Impairment of Financial Assets*

The Company recognizes loss allowances for expected credit losses ("ECLs") on its financial assets measured at amortized cost. Expected credit losses are measured as the difference between the cash flows that are due to the Company and the cash flows that the Company expects to receive, discounted at the effective interest rate determined at initial recognition. Changes in the provision for expected credit loss are recognized in net earnings.

### **Foreign currency translation and transactions**

These consolidated financial statements are presented in Canadian dollars. The functional currency of the Canadian parent entity and its subsidiaries is the Canadian dollar.

Transactions in foreign currencies are translated to the functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the period end exchange rate. Non-monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognized in the consolidated statements of loss and comprehensive loss.

### **Government grants**

Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. If a grant is received but reasonable assurance and compliance with conditions is not achieved, the grant is recognized as a deferred liability until such conditions are fulfilled. When the grant relates to an expense, it is recognized in other income in the period in which the costs are incurred. When the grant relates to an asset, it is recognized as a reduction to the net book value of the related asset and recognized in net loss in equal amounts over the expected useful life of the related asset through lower depletion, and depreciation.

### **New Accounting Pronouncements**

The Company has adopted the following standards and pronouncements effective January 1, 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

#### *Amendments to IAS 1 – Classification of Liabilities as Current or Non-current*

The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

### **Future Accounting Standards and Pronouncements**

#### *IFRS 18 - Presentation and Disclosure in Financial Statements*

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18"), which will replace IAS 1. The new standard will become effective January 1, 2027 with earlier adoption permitted, and it must be adopted on a retrospective basis. This standard introduces new requirements for entities applying IFRS Accounting Standards to present and disclosure financial information. IFRS 18 introduces new totals, subtotals, and categories for income and expenses in the statement of income, as well as requiring disclosure about management-defined performance measures and additional requirements regarding the aggregation and disaggregation of certain information. The Company is currently assessing the impacts of the new standard on its financial statements.

The Corporation has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

### 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Financial results as determined by actual events may differ from these estimates. These consolidated financial statements have, in management's opinion, been properly prepared using careful judgment within reasonable limits of materiality.

The significant estimates and judgments in the consolidated financial statements include:

#### Going concern

Management has applied judgment in the assessment of the Corporation's ability to continue as a going concern when preparing the financial statements. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considers a wide range of factors relating to current and expected profitability and potential sources of financing. Management has made assumptions regarding projected petroleum and natural gas sales volumes and commodity pricing, scheduling of payments arising from various obligations, the availability of additional financing and the timing and extent of capital and operating expenditures.

#### Estimating oil and gas reserves

The Company engages a qualified, independent oil and gas reserves evaluator to perform an estimation of the Company's oil and gas reserves annually. Reserves form the basis for the calculation of depletion charges and assessment of impairment of oil and gas assets. Reserves are estimated using the reserve definitions and guidelines prescribed by National Instrument 51-101 and the Canadian Oil and Gas Evaluation Handbook.

Proved plus probable reserves are defined as the "best estimate" of quantities of oil, natural gas and related substances estimated to be commercially recoverable from known accumulations, from a given date forward, based on drilling, geological, geophysical and engineering data, the use of established technology and specified economic conditions. The estimates are made using all available geological and reservoir data as well as historical production data. Estimates are reviewed and revised as appropriate. Revisions occur as a result of changes in prices, costs, fiscal regimes and reservoir performance or a change in the Company's plans with respect to future development or operating practices.

#### Determination of cash generating units

The recoverability of development and production asset carrying values are assessed at the CGU level. Determination of what constitutes a CGU is subject to management's judgment. The asset composition of a CGU can directly impact the recoverability of the assets included therein. In assessing the recoverability of oil and gas properties, each CGU's carrying value is compared to its recoverable amount, defined as the greater of fair value less costs to sell and value in use. All of the company's oil and gas properties constitute a single CGU.

# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

### Asset retirement obligation

The Company estimates obligations under environmental regulations in respect of decommissioning and site restoration. These obligations are determined based on the expected present value of expenses required in the process of plugging and abandoning wells, dismantling of wellheads, production and transportation facilities and restoration of producing areas in accordance with relevant legislation, discounted from the date when expenses are expected to be incurred. The estimated future abandonment date, risk free rate, inflation rate and expected future site restoration costs have a significant effect on the carrying amount of the decommissioning provision.

The Company's estimates of future asset retirement obligations are based on reclamation standards that meet current regulatory requirements. The estimate of the total liability of future site restoration costs may be subject to change based on amendments to laws and regulations and as new information concerning the Company's operations becomes available. Accordingly, the amount of the liability will be subject to re-measurement at each reporting period. Any adjustments to this liability will impact the related asset.

### Impairment of non-financial assets

The Company assesses impairment on its assets that are subject to depletion and depreciation when it has determined that a potential indicator of impairment exists. Impairment exists when the carrying value of a non-financial asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell ("FVLCTS") and its value in use. The Company used the calculation of FVLCTS to determine the fair value of its CGUs. In determining the FVLCTS, the amount is most sensitive to the future commodity prices, discount rates, and estimates of proved and probable reserves, to determine an implied fair value of the CGU being tested.

### Expected credit losses

For trade and other receivables, the Company assesses the lifetime ECL applicable to its commodity product sales receivable and joint venture receivables at initial recognition and re-assesses the provision at each reporting date. In making an assessment as to whether the Company's financial assets are credit impaired, the Company considers historical bad debts, the counterparties financial condition, credit rating and total financial exposure. The carrying amounts of receivables are reduced by the amount of the ECL through an allowance account and losses are recognized within general and administrative expense in the consolidated statements of loss and comprehensive loss.

## 4. ACCOUNTS RECEIVABLE

	2024	2023
Trade receivables	\$ 195,945	\$ 71,284
GST receivable	1,565	4,207
Cash calls receivable	3,134	3,134
<b>Total accounts receivable</b>	<b>\$ 200,644</b>	<b>\$ 78,625</b>

## 5. PROMISSORY NOTE

On September 30, 2024, a non-interest bearing promissory note was issued to an arm's length party in the amount of \$40,000 USD (\$53,996 CAD) in relation to a non-binding letter of intent for a Reverse Take-Over ("RTO") (Note 21). The promissory note is for funds required for legal fees and a \$30,000 USD non-refundable 100-day exclusivity fee. If the RTO does not close, this note shall become void and non-enforceable at the end of the exclusivity period. If the RTO and plan of arrangement does close, the promissory note will remain a debt of WOGC. During the year, \$10,000 USD (\$13,168 CAD) of the promissory note proceeds were used to pay legal fees related for the RTO reducing the amount due on the promissory note to \$30,000 USD (\$43,167 CAD) as of December 31, 2024

# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

### 6. RESTRICTED CASH HELD IN TRUST

Restricted cash held in trust includes \$55,440 (2023 - \$55,440) held by British Columbia Minister of Energy, Mines and Petroleum Resources pending remediation of the Ft. Nelson site operated by Cancen BC; and \$40,000 (2023 - \$40,000) held in trust by at a related party law firm for the remediation of a Crossfield padsite.

### 7. RESTRICTED INVESTMENTS

Restricted investments are funds held in a non-redeemable GIC account with a term of 12 months and earn 3.25% interest compounded annually (2023 – 13 months at 5.65% interest compounded annually). The investment is security for letters of credit in the amount of \$150,000 which are required by a processing plant to allow the Company to process their gas and take it in kind. The fees for the letters of credit are 2% per annum. The value of the investments at year-end was \$150,561 (2023 - \$159,534). As the Company is only required to keep \$150,000 as security, when the investments mature, the interest is moved to cash. During 2024, the Company received proceeds of \$17,489 from interest earned on this investment.

### 8. EXPLORATION AND EVALUATION ASSETS

	December 31,		December 31,	
	2024		2023	
Balance, beginning of year	\$	5,067	\$	5,067
Balance, end of year	\$	5,067	\$	5,067

# WASKAHIGAN OIL & GAS CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

## 9. PROPERTY AND EQUIPMENT

<b>COSTS</b>	<b>Oil and Natural Gas Assets</b>	<b>Other assets</b>	<b>Total</b>
Balance, December 31, 2022	\$ 2,615,584	\$ 3,472	\$ 2,619,056
ARO change in estimate	37,480	-	37,480
Balance, December 31, 2023	\$ 2,653,064	\$ 3,472	\$ 2,656,536
ARO change in estimate	166,331	-	166,331
<b>Balance, December 31, 2024</b>	<b>\$ 2,819,395</b>	<b>\$ 3,472</b>	<b>\$ 2,822,867</b>

### ACCUMULATED DEPLETION AND DEPRECIATION

Balance, December 31, 2022	\$ 347,220	\$ 1,695	\$ 348,915
Depletion and depreciation	117,153	501	117,654
Balance, December 31, 2023	\$ 464,373	\$ 2,196	\$ 466,569
Depletion and depreciation	73,107	358	73,465
<b>Balance, December 31, 2024</b>	<b>\$ 537,480</b>	<b>\$ 2,554</b>	<b>\$ 540,034</b>

### CARRYING AMOUNT

December 31, 2023	\$ 2,188,691	\$ 1,276	\$ 2,189,967
<b>December 31, 2024</b>	<b>\$ 2,281,915</b>	<b>\$ 918</b>	<b>\$ 2,282,833</b>

At December 31, 2024, future development costs of \$250,000 (2023 - \$300,000) associated with proved and probable reserves are included in costs subject to depletion.

#### Impairment

At the end of each reporting period, the Company assesses whether there are any indicators of impairment for its assets. During the period, persistently low gas prices resulted in negative cash flows from certain assets, which were identified as indicators of impairment. As a result, the Company performed an impairment test. Recoverable amounts were determined using the fair value less costs to sell method and based on internally generated cash flow projections. In determining fair value less costs to sell, the Company considered recent transactions within the industry, long-term views of oil prices, externally evaluated reserve volumes, and discount rates specific to the asset. The future cash flows were estimated as the proved plus probable reserve value for the property in each CGU discounted at rates ranging from 10% to 15% (2023 - 10% to 15%) per annum and were based on the Company's external independent engineering report. There was no impairment recognized during the year ended December 31, 2024 (2023 - \$Nil). An increase in the discount rate of 5% would not result in an impairment of the assets.

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# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

### 10. LOAN PAYABLE

	2024	2023
Loan payable, beginning of year	\$ 1,139,061	\$ 1,096,419
Loan proceeds received	7,000	68,700
Payments of principal and interest	(46,585)	(93,917)
Interest	67,850	67,859
<b>Loan payable, end of year</b>	<b>\$ 1,167,326</b>	<b>\$ 1,139,061</b>

On July 31, 2017, Tenth Avenue Petroleum Corp ("TAPC") entered into a Loan and Participation Agreement with Smoky Oil & Gas Corp ("Smoky") and 1454871 Alberta Ltd. ("1454871") (formerly Batoche Oil & Gas Exploration Ltd.) which are related companies by way of common directors and officers. Pursuant to the terms of the Loan and Participation Agreement ("TAPC LPA"), Smoky lent TAPC the sum of \$1,328,593 to complete the acquisition of assets from NuVista Energy Ltd. in 2017 (the "Waskahigan Assets"). All obligations owing were secured by a general security agreement charging all of the assets of TAPC. The loan is due on demand and is subject to interest at a rate of 6% per annum, which is payable quarterly. By novation agreement effective January 1, 2021, WOGC and Odaat agreed to assume the obligations to Smoky ("WOGC/Odaat LPA") under the TAPC LPA and Smoky released TAPC. WOGC and Odaat granted a general security agreement in favour of Smoky pledging all of the assets in support of the debt. In 2024 and 2023, additional proceeds were received under the same terms as the original loan.

### 11. ASSET RETIREMENT OBLIGATIONS

The Company estimates the total undiscounted cash flows to settle its asset retirement obligations are approximately \$1,463,953 (2023 - \$1,423,892) which will be settled over the operating lives of the underlying assets, estimated to occur between 2025 and 2037. The Company's asset retirement obligations are based on estimated costs to abandon and reclaim wells and facilities, which are determined using assumptions including estimates published by the Alberta Energy Regulator (AER). During the year, the AER updated its published cost estimates, resulting in an increase in the Company's estimated future cash flows required to settle its asset retirement obligations. A risk-free interest rate of 2.96% (2023 - 3.17%) and an estimated inflation rate of 2.0% (2023 - 2.0%) was used to calculate the present value of asset retirement obligations.

The following table reconciles the asset retirement obligations:

	2024	2023
Balance, beginning of year	\$ 1,017,814	\$ 1,123,493
Revisions	166,331	37,480
Expenditures	(9,566)	(125,637)
Government grants (note 20)	-	(52,088)
Accretion	32,700	34,566
Balance, end of year	1,207,279	1,017,814
Less: current portion	(263,501)	(173,908)
<b>Long term portion</b>	<b>\$ 943,778</b>	<b>\$ 843,906</b>

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# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

### 12. SHARE CAPITAL

Authorized:

Unlimited	Common voting shares with no par value
Unlimited	Preferred shares, issuable in series, with rights and privileges to be determined at time of issue

Issued:

Common shares	Number of shares	Value
Balance, December 31, 2022, 2023 and 2024	13,196,868	134,315

### 13. RELATED PARTY TRANSACTIONS

The Company has determined that the key management personnel of the Company consist of its officers and directors. The following table provides information on compensation expense related to officers and directors.

	2024	2023
Consulting fees to a company controlled by directors	\$ 173,589	\$ 115,308

Included in accounts payable are amounts owing to company's controlled by directors of \$276,755 (2023 – \$157,434).

As disclosed in Note 10, pursuant to an intercreditor agreement dated effective January 1, 2021 ("Intercreditor Agreement") amongst TAPC, WOGC, Odaat and Smoky, Smoky agreed to assume the debts owing by TAPC effective January 1, 2021 (referred to as the WOGC/Odaat LPA) and to release TAPC. The loan value as of January 1, 2021 was \$1,152,174. The Company incurred interest expense of \$67,850 (2023 – \$67,859) during the year ended December 31, 2024 on this loan. All obligations owing are secured by a general security agreement charging all of the assets of WOGC/Odaat. Gregory J. Leia is President and a director of WOGC, Odaat, FCE, Smoky and 1454871. A director of the Company owns approx. 65% of the common shares and preferred shares of Smoky.

In 2023, the Company disposed of its subsidiary Jadela US to a related company that is controlled by a director for consideration of \$1 (note 1).

### 14. PER SHARE AMOUNTS

Basic loss per share has been calculated using the weighted average number of common shares outstanding during the year of 13,196,868 (2023 – 13,196,868).

### 15. FINANCIAL INSTRUMENTS

The Company's financial instruments are exposed to certain financial risks, including credit risk, capital market risk and liquidity risk, interest rate risk, commodity price risk and foreign exchange risk.

At December 31, 2024, the Company's financial instruments approximate their fair value due to their short-term nature.

# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

**Credit risk** – Associated with cash, restricted cash held in trust, restricted investments, and trade and other accounts receivable. A portion of the Company's trade accounts receivable are with joint venture partners in the petroleum and natural gas industry and are subject to normal credit terms. The Company generally extends unsecured credit to these customers and, therefore, the collection of accounts receivable may be affected by changes in economic or other conditions. The carrying value of accounts receivable reflects management's assessment of the associated credit risk. The Company is also exposed to credit risk on certain deposits to the extent that the Company may not be refunded these amounts. The Company does not anticipate any default or non-performance by its oil and natural gas sales customers. As such, a provision for credit risk has not been recorded at December 31, 2024 (2023 - \$Nil). The maximum exposure of the Company's credit risk is the carrying value of its financial assets.

**Liquidity risk** - The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its obligations when due, under normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation. The Company has, to date, required funds from lenders to finance capital expenditures and operations (see note 1).

The Company's financial liabilities and contractual obligations as at December 31, 2024 are due as follows:

Accounts payable and accrued liabilities	\$ 768,747	Due within 90 days
Promissory note	\$ 43,167	Due within 1 month
Bank indebtedness	\$ 74,788	Due on demand
Loan payable	\$ 1,167,326	Due on demand

**Commodity price risk** - The Company is exposed to oil and gas commodity price risk and has not entered any financial derivatives to manage this risk.

	2024	2023
Commodity price risk sensitivity	Increase (decrease) to net income	Increase (decrease) to net income
Increase of \$1.00/bbl oil	\$ 265	\$ 292
Decrease of \$1.00/bbl of oil	\$ (265)	\$ (292)
Increase of \$0.10/Mcf of natural gas	\$ 15,368	\$ 29,167
Decrease of \$0.10/Mcf of natural gas	\$ (15,368)	\$ (29,167)

**Interest rate risk** – The risk that future cash flows will fluctuate as a result of changes in market rates. The Company is not exposed to interest rate risk on its loan payable as the rate is fixed.

### 16. CAPITAL DISCLOSURES

The Company' has defined its capital to mean its deficiency and loan payable. The Company's objective when managing capital is to maintain the confidence of shareholders and investors in the implementation of its business plans by maintaining sufficient levels of liquidity to fund and support its exploration and development as well as other corporate activities. The Company's capital historically has been derived from the issuance of equity or debt. Management monitors its financial position on an ongoing basis. Equity or debt are issued for exploration programs and the Company's operations (see note 1).

# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

### 17. INCOME TAXES

The provision for income tax differs from the results that would be obtained by applying the combined Canadian and Provincial tax rates of approximately 23.0% (2023 – 23%). The reasons for these differences are as follows:

	2024	2023
Loss before income taxes	\$ (467,667)	\$ (195,191)
Statutory tax rate	23.00%	23.00%
Expected income tax recovery	(107,563)	(44,894)
Other	162	332
Unrecognized deferred tax assets	107,401	44,562
<b>Income tax provision</b>	<b>\$ -</b>	<b>\$ -</b>

The following deferred tax assets (liabilities) have been recognized in the consolidated financial statements:

	2024	2023
Property and equipment book value in excess of tax value	\$ (384,595)	\$ (327,468)
Asset retirement obligation	277,674	234,097
Non-capital losses carried forward	106,921	93,371
<b>Net deferred tax assets</b>	<b>\$ -</b>	<b>\$ -</b>

The following deductible temporary differences have not been recognized in the consolidated financial statements because it is not probable the future taxable profits will be available against:

	2024	2023
Property and equipment	\$ 72,215	\$ 80,239
Non-capital losses carried forward	893,986	419,002
<b>Total</b>	<b>\$ 966,201</b>	<b>\$ 499,241</b>

The Company has Canadian non-capital loss carry forwards of approximately \$1,358,861 (2023 - \$905,000) that will expire between 2032 and 2044.

### 18. CHANGES IN NON-CASH WORKING CAPITAL

The breakdown of the changes in the non-cash working capital is as follows:

	2024	2023
Trade and other receivables	(122,019)	58,671
Prepaid expenses and deposits	4,759	78,343
Accounts payable and accrued liabilities	267,435	(33,253)
Deferred income	11,009	(2,895)
<b>Total</b>	<b>\$ 161,184</b>	<b>\$ 100,866</b>

The company had the following non-cash transactions during the year:

	2024	2023
Revisions to asset retirement obligations	\$ 166,331	\$ 37,480
Contributed surplus reclassified to deficit on disposal of subsidiary	\$ -	\$ 43,825

# WASKAHIGAN OIL & GAS CORP.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

### 19. REVENUE

The following table presents the Company's production disaggregated by revenue source:

	2024		2023	
Crude oil	\$	25,189	\$	28,603
Natural gas		300,717		714,009
Condensate		137,994		291,212
<b>Total</b>	<b>\$</b>	<b>463,900</b>	<b>\$</b>	<b>1,033,824</b>

In the second quarter of 2023, three of the Company's natural gas wells were shut in due to wildfires and low commodity prices. In the second and third quarters of 2024, three of the Company's natural gas wells were shut in due to low commodity prices.

### 20. GOVERNMENT ASSISTANCE

In 2023, as part of the Alberta Site Rehabilitation Program (SRP), the Alberta government provided funding in the amount \$52,088 towards the abandonment expenditures of one of the Company's wells (note 11). The amount was recognized as Other Income in the consolidated statements of loss and comprehensive loss.

### 21. PLAN OF ARRANGEMENT

Effective, January 1, 2023, WOGC, FCE and Odaat entered into a plan of arrangement. The terms provide that upon satisfaction of all conditions, WOGC will dividend the shares of FCE to the shareholders of WOGC, thereby spinning out its wholly owned subsidiary. The shareholders of WOGC approved the plan of arrangement on April 4, 2023. The Court of King's Bench of Alberta approved the plan of arrangement on April 6, 2023. The Plan of Arrangement was amended on September 27, 2024. The amendments to the Plan of Arrangement were approved by the shareholders on December 12, 2024. The plan of arrangement is conditional upon CSE approval and completion of a reverse takeover of WOGC. WOGC has not entered into a binding agreement which would constitute a reverse takeover.

On September 27, 2024, the WOGC entered into a non-binding letter of intent with Terra Metals Inc ("TMI-Del") (a Delaware corporation) and several related parties. TMI-Del has one subsidiary called Terra Metals Limited ("TMI-Zambia") (a Zambian corporation). TMI-Zambia has 4 subsidiaries: (a) Lunda Resources Limited ("Lunda") (a Zambian corporation) (formerly Zamsort Limited); (b) Central African Renewal Energy Ltd. ("CARE"), (a Zambian corporation); (c) Cupriferous Resources Limited ("Cupriferous") (a Zambian corporation); and (d) Alliance Limited ("Alliance") (a Zambian corporation). The agreement contemplated that WOGC would acquire the shares of TMI-Del (the "Proposed Transaction"). As part of the Proposed Transaction, WOGC will undergo a consolidation of its common shares (the "Common Shares") on a four for one basis. As consideration for the Proposed Transaction, WOGC was to issue 42,160,000 post-consolidated shares at a deemed price of \$0.50 per share (\$21,080,000 CAD). The purchase price shall include 100% of the shares of Lunda and CARE (excluding specified assets) (subject to a joint venture agreement which entitles a third party (Metalex Commodities Inc.) to acquire up to 67% of Lunda and CARE by investing up to \$102,000,000 US. The Proposed Transaction contemplated that: (a) WOGC would dividend approximately 129,761 post consolidated shares to certain WOGC shareholders to meet stock exchange distribution rules which shall be effected as part of the Plan of Arrangement; (b) to effect a 4:1 consolidation; (c) to effect a name change to "Terra Metals (Canada) Inc" ("TMIC") or such other name acceptable to TMI; (d) nominate a new board of directors; (e) appoint new management; and (f) to complete the spinout of FCE (and its oil and gas operating subsidiary Odaat) under the Plan of Arrangement. The value of the 13,715,914 pre-consolidation shares (post dividend shares, 3,428,978 post consolidation shares) to be issued by FCE to the shareholder of WOGC shall be valued at \$0.00001 per share (aggregate value of \$100) and WOGC shall reduce its stated capital or paid up capital or contributed surplus account by \$132. TMI-Del has not executed a definitive sale agreement. As such any funds advanced by promissory note to WOGC (Note 5) are non-refundable if the Proposed Zambian Transaction does not close.

# WASKAHIGAN OIL & GAS CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Canadian Dollars

## 22. SUBSEQUENT EVENTS

By definitive asset purchase agreement dated February 28, 2025 (effective February 1, 2025) ("Waskahigan APA"), Odaat sold certain assets in the Waskahigan and Crossfield regions of Alberta. The assets did not include the current assets of Odaat. The transaction is subject to the approval of the Alberta Energy Regulator ("AER"). The price was \$2,000,000, with price allocation of 80% to PNG rights (\$1,600,000) and 20% (\$400,000) to tangibles. GST was charged and paid on the tangibles of \$20,000. The estimated gain on sale is \$744,564. The buyer has paid the sale proceeds. From the sale proceeds, the debts owing to Smoky (as detailed in Note 10) have been paid. The price is subject to adjustments from the effective date to the closing date. The expected final adjustment date is June 30, 2025. The buyer assumed the abandonment and remediation liability on the assets purchased.

This sale constitutes all of the active wells of Odaat. Subsequent to the sale, Odaat will have a few oil and gas properties that are in the process of being abandoned and remediated. Deposits not assigned will be used to pay for abandonment and remediation of these wells. The buyer did not assume the legal claim of Capstone Oilfield Services Ltd. ("Capstone") against Odaat. Capstone has commenced legal proceedings in the Court of Kings Bench of Alberta seeking \$122,329. Odaat has filed a Statement of Defence and Counterclaim which if accepted by the court would leave Odaat with no obligation to Capstone. Odaat claims Capstone used a wrong tool/equipment in the performance of a workover contract and that Odaat is not responsible for the costs related to the use of the wrong tool/equipment. Capstone had filed a lien against a mineral property. Odaat has paid the sum of \$140,679 (\$122,329 and \$18,349 security for costs) into court to have the lien removed.

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**APPENDIX "B"**  
**WASKAHIGAN OIL & GAS CORP.**

**FINANCIAL STATEMENTS**

**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024**

**(UNAUDITED)**

**Appendix B**  
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# WASKAHIGAN OIL & GAS CORP.

## NOTICE OF NO AUDITORS' REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of Waskahigan Oil & Gas Corp. have been prepared by and are the responsibility of management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

Calgary, Alberta  
November 24, 2025

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# WASKAHIGAN OIL & GAS CORP.

## STATEMENT OF FINANCIAL POSITION AS AT

In Canadian Dollars

	Note	September 30, 2025	December 31, 2024
<b>ASSETS</b>			
<b>Current</b>			
Cash		\$ 15,550	\$ -
Restricted cash held in trust	4	-	95,440
Trade and other receivables		6,121	200,644
Prepaid expenses and deposits		-	48,696
		21,671	344,780
<b>Long term</b>			
Restricted investments		-	150,561
Exploration and evaluation assets		-	5,067
Property and equipment	5	-	2,282,833
		\$ 21,671	\$ 2,783,241
<b>LIABILITIES</b>			
<b>Current</b>			
Bank overdraft		\$ -	\$ 74,788
Accounts payable and accrued liabilities		6,220	768,747
Promissory note		-	43,167
Non-refundable deposit	8	61,079	-
Loan payable	6	-	1,167,326
Deferred income		-	11,842
Asset retirement obligation	7	-	263,501
		67,299	2,329,371
Asset retirement obligation	7	-	943,778
<b>Total liabilities</b>		67,299	3,273,149
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	9	141,745	134,315
Contributed surplus		-	603,524
Deficit		(187,373)	(1,227,747)
		(45,628)	(489,908)
		\$ 21,671	\$ 2,783,241

Going concern

1

Signed "Gregory J. Leia"  
Gregory J. Leia, Director

Signed "Tracy Zimmerman"  
Tracy Zimmerman, Director

The accompanying notes are an integral part of these financial statements

# WASKAHIGAN OIL & GAS CORP.

## STATEMENT OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

In Canadian Dollars

FOR THE THREE AND NINE MONTHS ENDED

	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<b>EXPENSES</b>				
General and administrative	25,521	20,003	84,825	115,762
<b>OPERATING INCOME (LOSS) FROM CONTINUING OPERATIONS</b>	<b>(25,521)</b>	<b>(20,003)</b>	<b>(84,825)</b>	<b>(115,762)</b>
Other income (expense) items				
Other income	-	-	42,804	-
Foreign exchange	-	(1,324)	363	(1,324)
<b>NET INCOME (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>(25,521)</b>	<b>(21,327)</b>	<b>(41,658)</b>	<b>(117,086)</b>
Operating income (loss) from discontinued operations	3	-	(52,078)	(98,075)
<b>NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)</b>	<b>\$ (25,521)</b>	<b>\$ (73,405)</b>	<b>\$ 627,842</b>	<b>\$ (213,161)</b>
<b>INCOME (LOSS) PER SHARE</b>				
Basic and diluted per share from continuing operations	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.04)
Basic and diluted per share from discontinued operations	\$ -	\$ (0.02)	\$ 0.20	\$ (0.03)

The accompanying notes are an integral part of these financial statements

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# WASKAHIGAN OIL & GAS CORP.

## STATEMENT OF CASH FLOWS

In Canadian Dollars

FOR THE NINE MONTHS ENDED

	Nine Months Ended		
	September 30, September 30,		
	Note	2025	2024
<b>Operating activities</b>			
Net loss from continuing operations	\$	(41,658)	\$ (117,086)
Items not affecting cash:			
Other income recognized on promissory note		(42,804)	-
Foreign exchange		(363)	-
Changes in non-cash working capital		45,075	(72,419)
<b>CASH PROVIDED (USED) BY CONTINUING OPERATING ACTIVITIES</b>		<b>(39,750)</b>	<b>(189,505)</b>
Net cash provided by (used) by discontinued operating activities		(702,586)	106,608
<b>TOTAL CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		<b>(742,336)</b>	<b>(82,897)</b>
<b>FINANCING ACTIVITIES</b>			
Bank indebtedness		(67)	-
Proceeds from promissory note		-	53,996
<b>CASH PROVIDED (USED) IN CONTINUING FINANCING ACTIVITIES</b>		<b>(67)</b>	<b>53,996</b>
Net cash provided by (used) by discontinued financing activities		(1,242,047)	(8,756)
<b>TOTAL CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>		<b>(1,242,114)</b>	<b>45,240</b>
<b>INVESTING ACTIVITIES</b>			
<b>CASH PROVIDED (USED) IN CONTINUING INVESTING ACTIVITIES</b>		<b>-</b>	<b>-</b>
Net cash provided by (used) by discontinued investing activities		2,000,000	(6,692)
<b>TOTAL CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>		<b>2,000,000</b>	<b>(8,692)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>15,550</b>	<b>(44,349)</b>
<b>CASH AND CASH EQUIVALENTS, beginning of period</b>		<b>-</b>	<b>54,691</b>
<b>CASH AND CASH EQUIVALENTS, end of period</b>	<b>\$</b>	<b>15,550</b>	<b>\$ 10,342</b>
Interest paid	\$	45,759	\$ 22,329
Taxes paid		-	-
<b>Non-cash Transactions</b>			
Dividend distribution of subsidiary	<b>3 \$</b>	183,362	
Share distribution dividend	<b>9 \$</b>	7,430	

The accompanying notes are an integral part of these financial statements

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# WASKAHIGAN OIL & GAS CORP.

## STATEMENT OF SHAREHOLDERS' EQUITY (DEFICIT)

In Canadian Dollars

FOR THE NINE MONTHS ENDED

2025	Share Capital	Contributed Surplus	Deficit	Total Deficiency
Balance, January 1, 2025	\$ 134,315	\$ 603,524	\$ (1,227,747)	\$ (489,908)
Net income for the period	-	-	627,642	\$ 627,642
Issuance	7,430	-	-	\$ 7,430
Disposal of subsidiary	-	(603,524)	603,524	\$ -
Dividends	-	-	(190,792)	\$ (190,792)
<b>Balance, September 30, 2025</b>	<b>\$ 141,745</b>	<b>\$ -</b>	<b>\$ (187,373)</b>	<b>\$ (45,628)</b>

2024	Share Capital	Contributed Surplus	Deficit	Total Equity
Balance, January 1, 2024	\$ 134,315	\$ 603,524	\$ (760,080)	\$ (22,241)
Net loss for the period	-	-	(213,161)	\$ (213,161)
<b>Balance, September 30, 2024</b>	<b>\$ 134,315</b>	<b>\$ 603,524</b>	<b>\$ (973,241)</b>	<b>\$ (235,402)</b>

The accompanying notes are an integral part of these financial statements

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# WASKAHIGAN OIL & GAS CORP.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

In Canadian Dollars

## 1. NATURE OF OPERATIONS AND GOING CONCERN

Waskahigan Oil & Gas Corp. ("WOGC" or the "Company") is in the business of exploring for, developing, and producing petroleum and natural gas properties in Western Canada. WOGC is a company domiciled in Canada. The address of WOGC's registered office is 203, 221 10th Avenue SE, Calgary, Alberta.

### Share Consolidation and Distribution Dividend Upon Completion of the Plan of Arrangement

On June 27, 2025, WOGC consolidated its common shares on a four for one basis and issued a share dividend of 123,826 post consolidated WOGC common shares to WOGC registered and non-objecting beneficial owner shareholders who hold less than 4,000 shares. On June 30, 2025, WOGC completed the Plan of Arrangement and dividended 3,423,069 Fox Creek Energy Ltd. ("FCE") shares to the WOGC shareholders.

### Going Concern

The accompanying financial statements have been prepared using the going concern assumption which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

For the period ended September 30, 2025, the Company incurred net income of \$627,642 (2024—\$213,161 loss), included in net income is a net loss from continuing operations for the nine months ended September 30, 2025 of (\$41,658) (2024 — \$117,086). The Company has current liabilities in excess of current assets of \$45,628 (2024—\$1,984,591) and an accumulated deficit of \$187,373 (2024 — \$973,241). The Company has relied on support from various creditors and lenders (Note 6) to finance its operations. The continued volatility in global commodity prices and equity markets creates significant uncertainties which may impact the Company's future operations, revenues and its ability to access the capital necessary to execute on its business plans. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

The future operations of the Company are dependent on the continued support from its creditors and lenders and the Company's ability to raise additional capital through equity or debt financings or the sale of assets. While the Company has been successful in securing financing in the past, there is no assurance that it will be able to do so in the future.

These financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not appropriate, the adjustments required to report the Company's assets and liabilities on a liquidation bases could be material to these financial statements.

## 2. MATERIAL ACCOUNTING POLICIES

### Basis of presentation and measurement

Statement of compliance:

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These financial statements have been prepared in accordance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements have been prepared by management. The financial statements of WOGC do not include the accounts of FCE and Odaat Oil Corp ("Odaat") a wholly owned subsidiary of FCE as of June 30, 2025. On June 30, 2025, WOGC disposed of its interest in FCE and its subsidiary Odaat through a dividend to shareholders and removed the former subsidiaries' net assets from its books as of that date (Note 3). These financial statements were authorized for issue by the Board of Directors on November 24, 2025.

# WASKAHIGAN OIL & GAS CORP.

In Canadian Dollars

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

Except as outlined below, the financial statements have been prepared using the same accounting policies and significant judgments, estimates, and assumptions as those used in the consolidated financial statements for the year ended December 31, 2024. These financial statements should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2024.

## Changes in accounting policies

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

## 3. DISPOSAL OF SUBSIDIARY

On June 30, 2025, WOGC completed the disposal of its investment in FCE by way of an in specie dividend to its shareholders. The disposal was effected through the distribution of the subsidiary's shares, with shareholders of WOGC receiving shares of FCE on a pro rata basis.

As a result of this transaction, WOGC ceased to control FCE as of June 30, 2025, and the results and financial position of the subsidiary have been deconsolidated from that date.

The net assets of FCE at the date of disposal, measured at fair value, were as follows:

Net Assets Disposed	Amount
Cash	\$ 53,302
Funds held in trust	55,440
Accounts receivable	147,044
Prepaid expenses	22,399
Deposits	140,680
Capital assets	790
Exploration and evaluation assets	5,067
Long term investments	151,823
Accounts payable	(245,204)
Deferred revenue	(6,593)
Asset retirement obligation	(141,386)
<b>Net assets disposed</b>	<b>\$ 183,362</b>

The fair value of the distribution (dividend in kind) was determined to be \$183,362, based on the fair value of the net assets of FCE on the date of disposal.

The gain/(loss) on disposal recognized in the statement of profit or loss is summarized as follows:

Fair value of distribution (dividend)	\$ 183,362
Fair value of net assets	\$ 183,362
<b>Gain or loss on disposal</b>	<b>\$ -</b>

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# WASKAHIGAN OIL & GAS CORP.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

In Canadian Dollars

The distribution of shares in FCE has been presented as a non-cash financing activity in the statement of cash flows.

Following the disposal, FCE is no longer a subsidiary of WOGC. Accordingly, its results of operations and cash flows are excluded from the financial statements from June 30, 2025.

## Discontinued Operations

The results of FCE have been presented as discontinued operations in accordance with IFRS 5, as the disposal represented the divestment of a separate major line of business. The results of FCE have been presented as discontinued operations in the statement of profit or loss for the current and comparative periods.

The results of the discontinued operations are presented below:

	2025	2024
Revenue	190,762	320,627
Production and transportation	(37,288)	(211,477)
Royalties	(8,021)	(6,671)
Depletion and depreciation	(29,099)	(40,257)
Interest expense	(11,738)	(48,639)
Accretion	(6,378)	(24,599)
Impairment recovery	368	-
General and administrative	(196,589)	(91,750)
Interest income	2,290	6,691
Gain on disposal of assets	764,993	-
<b>Gain (loss) from discontinued operations</b>	<b>669,300</b>	<b>(96,075)</b>

## 4. RESTRICTED CASH HELD IN TRUST

Restricted cash held in trust of \$Nil (2024 – \$55,440) held by British Columbia Minister of Energy, Mines and Petroleum Resources was disposed of as part of the disposal of the subsidiary on June 30, 2025. Restricted cash held in trust of \$Nil (2024 - \$92,672) at a related party law firm, of which \$40,000 was for the remediation of a Crossfield padsite was assigned as part of the sale of operating assets in Q1 2025, and \$40,000 USD (\$52,672 CAD) in relation to a non-binding letter of intent for the Reverse Take-Over (Note 14). As of September 30, 2025, WOGC has no restricted cash held in trust.

## 5. PROPERTY AND EQUIPMENT AND DISPOSAL

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By definitive asset purchase agreement dated February 28, 2025 (effective February 1, 2025) ("Waskahigan APA"), Odaat sold certain assets in the Waskahigan and Crossfield regions of Alberta. The assets did not include the current assets of Odaat. The transaction has been conditionally approved by the Alberta Energy Regulator ("AER"). The price was \$2,000,000, with price allocation of 80% to PNG rights (\$1,600,000) and 20% (\$400,000) to tangibles. GST was charged and paid on the tangibles of \$20,000. The asset retirement obligations and restricted cash related to the assets were also included in the sale. The estimated gain on the sale of assets was \$764,992. From the sale proceeds, the debts owing to Smoky Oil & Gas Corp ("Smoky") (as detailed in Note 6) have been paid. The price is subject to adjustments from the effective date to the closing date. The expected final adjustment date is December 31, 2025. The buyer assumed the abandonment and remediation liability on the assets purchased.

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COSTS	Oil and Natural Gas Assets	Other assets	Total
<b>Balance, December 31, 2024</b>	<b>\$ 2,819,395</b>	<b>\$ 3,472</b>	<b>\$ 2,822,867</b>
ARO change in estimate	27,910	-	27,910
Disposal of subsidiary	-	(3,472)	(3,472)
Disposal of assets	(2,847,305)	-	(2,847,305)
<b>Balance, September 30, 2025</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## ACCUMULATED DEPLETION AND DEPRECIATION

<b>Balance, December 31, 2024</b>	<b>\$ 537,480</b>	<b>\$ 2,554</b>	<b>\$ 540,034</b>
Depletion and depreciation	28,971	127	29,098
Disposal of subsidiary	-	(2,681)	(2,681)
Disposal of assets	(566,451)	-	(566,451)
<b>Balance, September 30, 2025</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## CARRYING AMOUNT

<b>December 31, 2024</b>	<b>\$ 2,281,915</b>	<b>\$ 918</b>	<b>\$ 2,282,833</b>
<b>September 30, 2025</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## 6. LOAN PAYABLE

	September 30, 2025	December 31, 2024
Loan payable, beginning of period	\$ 1,167,326	\$ 1,139,061
Loan proceeds received	-	7,000
Interest	11,737	(46,585)
Payments of principal and interest	(1,179,063)	67,850
<b>Loan payable, end of period</b>	<b>\$ -</b>	<b>\$ 1,167,326</b>

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On July 31, 2017, TAPC entered into a Loan and Participation Agreement with Smoky and 1454871 Alberta Ltd. ("1454871") which are related companies by way of common directors and officers. Pursuant to the terms of the Loan and Participation Agreement ("TAPC LPA"), Smoky lent TAPC the sum of \$1,326,593 to complete the acquisition of assets from NuVista Energy Ltd. in 2017 (the "Waskahigan Assets"). The interest rate on the loan principal is 6% per annum. All obligations owing were secured by a general security agreement charging all of the assets of TAPC.

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By novation agreement effective January 1, 2021, WOGC and Odaat agreed to assume the obligations to Smoky ("WOGC/Odaat LPA") under the TAPC LPA and Smoky released TAPC from the obligations upon completion of the Plan of Arrangement and in accordance with the Transition Agreement. WOGC, FCE and Odaat granted a general security agreement in favour of Smoky pledging all of the assets in support of the debt. The loan was repaid in full during March 2025. The security of Smoky was discharged.

## 7. ASSET RETIREMENT OBLIGATIONS

WOGC estimates the total undiscounted cash flows to settle its asset retirement obligations are approximately \$nil (2024 – \$1,423,942). A risk-free interest rate of nil% (2024 – 2.73%) and an estimated inflation rate of nil% (2024 – 2.0%) was used to calculate the present value of asset retirement obligations prior to disposal.

The following table reconciles the asset retirement obligations:

	September 30, 2025	December 31, 2024
Balance, beginning of period	\$ 1,207,279	\$ 1,017,814
Revisions	27,542	166,331
Expenditures	-	(9,566)
Accretion	6,378	32,700
Disposal of subsidiary	(141,386)	-
Disposal of assets	(1,099,813)	-
Balance, end of period	-	1,207,279
Less: current portion	-	(263,501)
<b>Long term portion</b>	<b>\$ -</b>	<b>\$ 943,778</b>

## 8. NON-REFUNDABLE DEPOSIT

On May 19, 2025, a non-refundable deposit was received from an arm's length party in the amount of \$20,000 USD (\$27,004 CAD) in relation to a share purchase agreement for a Reverse Take-Over ("RTO") (Note 14). The non-refundable fee will be held and recognized as income in the event the transaction is terminated or does not close. In Q2, two share purchase amending agreements were enacted and two non-refundable deposits were received totalling \$25,000 USD (\$34,075 CAD).

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## 9. SHARE CAPITAL

Authorized:

Unlimited	Common voting shares with no par value
Unlimited	Preferred shares, issuable in series, with rights and privileges to be determined at time of issue

Issued:

	Number of Shares (1)	Value
Balance December 31, 2024	3,299,243	\$134,315
Share Distribution Dividend	123,826	7,430
Balance September 30, 2025	3,423,069	\$141,745

(1) On June 27, 2025, the Company completed a 4:1 share consolidation. The statements present the number of shares as though the consolidation had occurred at the beginning of the comparative period

On June 27, 2025, WOGC consolidated its common shares on a four for one basis and issued a share dividend of 123,826 post consolidated WOGC common shares to WOGC registered and non-objecting beneficial owner shareholders who hold less than 4,000 pre consolidation shares.

## 10. RELATED PARTY TRANSACTIONS

The Company has determined that the key management personnel of the Company consist of its officers and directors. The following table provides information on compensation expense related to officers and directors.

	September 30, 2025	September 30, 2024
Consulting fees from discontinued operations to a company controlled by directors	\$ 168,443	\$ 64,321

Included in accounts payable are amounts owing to companies controlled by directors \$Nil (2024 – \$177,348).

As disclosed in Note 6, TAPC entered into a TAPC LPA with Smoky and 1454871 on July 31, 2017. Pursuant to the terms of the TAPC LPA, Smoky lent TAPC the sum of \$1,326,593 to complete the Waskahigan Asset acquisition. The interest rate on the loan principal was 6% per annum. Pursuant to an intercreditor agreement dated effective January 1, 2021 ("Intercreditor Agreement") amongst TAPC, WOGC, Odaat and Smoky, Smoky agreed to assume the debts owing by TAPC effective January 1, 2021 (referred to as the WOGC/Odaat LPA) and to release TAPC from the loans upon completion of the Plan of Arrangement. The loan value as of January 1, 2021 was \$1,152,174. The Company incurred interest expense of \$11,737 (2024 – \$50,770) during the period ended September 30, 2025 on this loan. All obligations owing are secured by a general security agreement charging all of the assets of WOGC, FCE and Odaat. Gregory J. Leia is President and a director of WOGC, FCE, Odaat and 1454871. Gregory J. Leia owns approx. 65% of the common shares and preferred shares of Smoky. The loan was repaid in full during March 2025. The security was discharged.

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## 11. PER SHARE AMOUNTS

Basic income (loss) per share has been calculated using the weighted average number of common shares outstanding during the period of 3,342,698 (2024 – 3,299,450).

## 12. FINANCIAL INSTRUMENTS

The Company's financial instruments are exposed to certain financial risks, including credit risk, capital market risk and liquidity risk, interest rate risk, commodity price risk and foreign exchange risk.

Financial instruments, consisting of cash and cash equivalents, bank indebtedness, restricted investments, trade and other receivables, restricted cash held in trust, accounts payable and accrued liabilities, and loan payable, are recorded at amortized cost. There are no financial instruments recorded at fair value. The Company classifies the fair value of these transactions according to the following hierarchy based on the amount of observable inputs used to value the instrument.

The significance of inputs used in making fair value measurements are examined and classified according to a fair value hierarchy as following:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

At September 30, 2025, the Company's financial instruments approximate their fair value due to their current nature.

### As at September 30, 2025

<u>Financial Instrument</u>	<u>Classification</u>	<u>Carrying Value (\$)</u>	<u>Fair Value (\$)</u>
Cash and cash equivalents	Amortized cost	15,550	15,550
Trade and other receivables	Amortized cost	6,121	6,121
Accounts payable and accrued liabilities	Amortized cost	6,220	6,220

Credit risk – Associated with cash, restricted cash held in trust, restricted investments, and trade and other accounts receivable. A portion of the Company's accounts receivable are with joint venture partners in the petroleum and natural gas industry and are subject to normal credit terms. The Company generally extends unsecured credit to these customers and, therefore, the collection of accounts receivable may be affected by changes in economic or other conditions. The carrying value of accounts receivable reflects management's assessment of the associated credit risk. The Company is also exposed to credit risk on certain deposits to the extent that the Company may not be refunded these amounts. The Company does not anticipate any default or non-performance by its oil and gas sales customers. As such, a provision for doubtful accounts has not been recorded at September 30, 2025. The maximum exposure of the Company's credit risk is the carrying value of its financial assets.

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Liquidity risk - The Company approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its obligations when due, under normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation. The Company has to date, required funds from lenders to finance capital expenditures and operations (see note 1).

The Company's financial liabilities and contractual obligations as at September 30, 2025 are due as follows:

Accounts payable and accrued liabilities	\$	6,220	Due within 90 days
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## 13. CAPITAL DISCLOSURES

The Company' has defined its capital to mean its deficiency. The Company's objective when managing capital is to maintain the confidence of shareholders and investors in the implementation of its business plans by maintaining sufficient levels of liquidity to fund and support its exploration and development as well as other corporate activities. The Company's capital historically has been derived from the issuance of equity or debt. Management monitors its financial position on an ongoing basis. Equity or debt are issued for exploration programs and the Company's operations (see note 1).

## 14. REVERSE TAKEOVER TRANSACTION

Effective May 16, 2025, WOGC has entered into a definitive share purchase agreement ("**WOGC TMI SPA**") with Terra Metals Inc (a Delaware corporation)("TMI-Del"), Terra Metals Limited (a Zambian corporation)("TMI-Zambia")(subsidiary of TMI-Del), Lunda Resources Limited (a Zambian corporation)("Lunda") (formerly known as Zamsort Limited)(a subsidiary of TMI-Zambia), Central African Renewable Energy Corporation Limited ("**CARE**")(a Zambian corporation)(a subsidiary of TM-Zambia), Mumena Mushingi ("**TMI Vendor**") and Brian Chisala ("**TMI Vendor**")(TMI-Del, TM-Zambia, Lunda, CARE and the TMI Vendor(s) are collectively referred to as the "**TMI Del Parties**"). WOGC will acquire all of the shares of TMI-Del from the TMI Vendors. The transaction shall be a reverse takeover ("**WOGC RTO**"). The WOGC TMI SPA was amended on June 30, 2025, July 31, 2025 and October 24, 2025 (effective September 15, 2025).

As consideration for the shares of TMI-Del, WOGC was issue up to 42,160,000 post-consolidated shares at a deemed price of \$0.50 per share (\$21,080,000 Cdn). The purchase price was to include 100% of the shares of TMI-Del (which would own 48.5% of TMI-Zambia at the time of closing)(subject to dilution by virtue of a joint venture agreement which entitles a third party (Metalex Commodities Inc.) to acquire up to 67% of Lunda and CARE by investing up to \$102,000,000 US in a joint venture). The assets of Lunda consist of: (a) Zambia Small Scale Mining Licence No. 8248-HQ-SML; and (b) Zambia Small Scale Mining Licence No. 34040-HQ-SML ("**Kalaba Copper Mine**"). The assets of CARE at the closing of the RTO will be Zambia Large Scale Exploration Licence No. 27037-HQ-LEL "**CARE Mineral Claim**"). Zambia Large Scale Exploration Licence No. 31190-HQ-LEL will be transferred by CARE to Lunda pre closing. The 200MW Solar Power Project Feasibility Rights in Kawambwa District, Zambia's Northern Province will be sold by CARE pre closing to a non arms length party. The purchase shall not include the shares of two subsidiaries of TMI-Zambia, Cupriferous Resources Limited (Zambia) and Alliance Limited (Zambia), which will be sold pre closing.

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The purchase price payable by WOGC to the Vendors for the TMI-Del securities was to be \$21,080,000 CDN (15,500,000 USD) (the "Purchase Price") and shall be satisfied as follows: (a) \$6,919,300 by issuance of 13,838,600 post 4:1 consolidation WOGC Shares at \$0.50 per WOGC Share; and (b) \$14,160,700 by the reservation and possible future issuance of 28,321,400 post 4:1 consolidation WOGC Shares (1 share issued for every \$0.20 CDN gross revenue or equity or loan capital loan (provided proceeds used to advance the Kalaba Copper Mine or CARE Mineral Claim or other resulting issuer property) invested in TMI-Del or any subsidiary of TMI-Del (including the Lunda - Kalaba Copper Mine or CARE Mineral Claim) post January 1, 2025) (the "Performance Shares").

The WOGC TMI SPA (Amending Agreement #3) was subject to conditions including: (a) delivery of certain due diligence information by November 7, 2025 otherwise the WOGC TMI SPA would terminate; (b) an election to exercise an option to extend the termination date to November 21, 2025; (c) if such election was made on November 7, 2025 then TMI had to make a payment of \$15,000 US by November 7, 2025; (d) if the November 7, 2025 election was made and the \$15,000 US was paid on November 7, 2025, then the TMI Parties had until November 21, 2025 to deliver certain due diligence information otherwise the WOGC TMI SPA would terminate; (e) if the due diligence information was not delivered by November 21, 2025, the TMI Parties had an option to extend the time for delivery of the due diligence information to December 15, 2025; (f) if the TMI Parties elected to extend the termination of the WOGC TMI SPA to December 15, 2025, the TMI parties had to pay \$15,000 US by November 21, 2025; (g) if the TMI Parties elected to extend the WOGC TMI SPA until December 15, 2025 and paid the \$30,000 US, the TMI Parties had to make a CSE listing application by December 15, 2025; (h) the transaction was subject to CSE approval of the RTO; and (i) completion of the proposed transactions by February 15, 2026. The TMI Parties have advanced \$15,000 UD on October 24, 2025. The TMI Parties did not provide the requisite due diligence information by November 7 or 21, 2025. The TMI Parties did not elect to extend the WOGC TMI SPA to November 21, 2025 or to December 15, 2025. The TMI Parties did not pay the \$15,000 US on November 7, 2025 or November 21, 2025 and subject to any relief from forfeiture the WOGC TMI SPA has terminated as of November 7, 2025. The TMI Parties dispute the termination. The WOGC TMI SPA contains a dispute resolution mechanism which prescribes that all disputes are resolved by arbitration.

## 15. GOING PRIVATE TRANSACTION

Provided that the WOGC RTO can be completed by December 31, 2025, management has determined that the best course of action would be to complete the WOGC RTO. If the RTO transaction does not close, management does not wish to pay for the audit costs of WOGC, that WOGC effect a going private transaction. Mechanics of the going private transaction for WOGC would be as follows: The existing WOGC common shares would be converted into WOGC Class "A" Redeemable Preferred shares with a redemption price of \$0.00001 per Class "A" Redeemable Preferred Share. The Class "A" Redeemable Preferred Shares would be redeemed. Gregory J. Lela would subscribe for 100 Class "A" WOGC common shares. WOGC would be wound up. The effect would be to purchase for nominal consideration the shares of WOGC from existing WOGC common shareholders. The transaction was approved by the shareholders on June 4, 2025 and by the Court of King's Bench of Alberta on June 6, 2025.

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**APPENDIX "C"**  
**EQUITY INCENTIVE PLAN**

**WASKAHIGAN OIL & GAS CORP**

**1. DEFINITIONS AND INTERPRETATION**

1.1 **Definitions:** For purposes of the Plan, unless the context requires otherwise, the following words and terms shall have the following meanings:

- (a) **"1933 Act"** means the United States Securities Act of 1933, as amended;
- (b) **"Account"** has the meaning attributed to that term in section 4.8;
- (c) **"Administrators"** means the Board or such other persons as may be designated by the Board from time to time;
- (d) **"affiliate"** has the meaning attributed to that term in the *Securities Act* (British Columbia);
- (e) **"Associate"** has the meaning attributed to that term in the *Securities Act* (British Columbia);
- (f) **"Award Date"** means the date or dates on which an award of Restricted Share Units is made to a Participant in accordance with section 4.1;
- (g) **"Blackout Period"** means the period during which designated Directors, Officers and Employees of the Corporation cannot trade the Common Shares as a result of the bona fide existence of material non-public information pursuant to the Corporation's policy respecting restrictions on Directors', Officers' and Employees' trading which is in effect at that time (which, for greater certainty, (i) does not include the period during which a cease trade order is in effect to which the Corporation or in respect of an insider, that insider is subject, and (ii) shall expire following the general disclosure of undisclosed material information);
- (h) **"Board"** means the board of directors of the Corporation from time to time;
- (i) **"Business Day"** means each day other than a Saturday, Sunday or statutory holiday in Vancouver, British Columbia, Canada;
- (j) **"Change of Control"** means:
  - (i) the acceptance of an Offer by a sufficient number of holders of voting shares in the capital of the Corporation to constitute the offeror, together with persons acting jointly or in concert with the offeror, a shareholder of the Corporation being entitled to exercise more than 50% of the voting rights attaching to the outstanding voting shares in the capital of the Corporation (provided that prior to the Offer, the offeror was not entitled to exercise more than 50% of the voting rights attaching to the outstanding voting shares in the capital of the Corporation),
  - (ii) the completion of a consolidation, merger or amalgamation of the Corporation with or into any other corporation whereby the voting shareholders of the Corporation immediately prior to the consolidation, merger or amalgamation receive less than 50% of the voting rights attaching to the outstanding voting shares of the consolidated, merged or amalgamated corporation or any parent entity, or

- (iii) the completion of a sale whereby all or substantially all of the Corporation's undertakings and assets become the property of any other entity and the voting shareholders of the Corporation immediately prior to that sale hold less than 50% of the voting rights attaching to the outstanding voting securities of that other entity immediately following that sale;
- (k) **"Code"** means the U.S. Internal Revenue Code of 1986, as amended;
- (l) **"Common Shares"** means the common shares of the Corporation;
- (m) **"Consultant"** means an individual (other than a Director, Officer or Employee of the Corporation or any of its majority-owned Subsidiaries) that:
  - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its majority-owned Subsidiaries, other than services provided in relation to an offer or sale of securities of the Corporation in a capital-raising transaction, or services that promote or maintain a market for the Corporation's securities;
  - (ii) provides the services under a written contract between the Corporation or any of its majority-owned Subsidiaries and the individual; and
  - (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or of any of its majority-owned Subsidiaries.
- (n) **"Corporation"** means Waskahigan Oil & Gas Corp a corporation existing under the *Business Corporations Act* (Alberta) and the successors thereof;
- (o) **"CSE"** means the Canadian Securities Exchange;
- (p) **"Director"** means a director (as defined under Securities Laws) of the Corporation or of any of its majority-owned Subsidiaries;
- (q) **"Disability"** means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent the Optionee from permanently:
  - (i) being employed or engaged by the Company, an Affiliate or another employee, in a position the same as or similar to that in which he was last employed or engaged by the Company or an Affiliate, or
  - (ii) acting as a director or officer of the Company or an Affiliate,And **"Date of Disability"** means the effective date of the Disability as determined by the Board in its sole and unfettered discretion;
- (r) **"Discounted Market Price"** means the Market Price of the Common Shares, less a discount of up to 25% if the Market Price is \$0.50 or less; up to 20% if the Market Price is between \$0.51 and \$2.00; and up to 15% if the Market Price is greater than \$2.00, or such other discount as may be permitted by the policies of the CSE;
- (s) **"Effective Date"** means April 9, 2026;
- (t) **"Eligible Person"** means any Director, Officer, Employee or Consultant;

- (u) **“Employee”** means an individual who:
  - (i) is considered an employee of the Corporation or a majority-owned Subsidiary of the Corporation for purposes of source deductions under applicable tax or social welfare legislation; or
  - (ii) works full-time or part-time on a regular weekly basis for the Corporation or a majority-owned Subsidiary of the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or a majority-owned Subsidiary of the Corporation over the details and methods of work as an employee of the Corporation or such majority-owned Subsidiary, and, for greater certainty, includes any Executive Chairman of the Corporation;
- (v) **“Event of Termination”** means an event whereby a Participant ceases to be an Eligible Person and shall be deemed to have occurred by the giving of any notice of termination of employment or service (whether voluntary or involuntary and whether with or without cause), retirement, or any cessation of employment or service for any reason whatsoever, including disability or death;
- (w) **“Exchange”** means any stock exchange or quotation system in North America where the Common Shares are listed on or through which the Common Shares are listed or quoted;
- (x) **“Exchange Hold Period”** means the hold period referred to in section 6.1(4)(a) of Policy 6 - Distributions & Corporate Finance of the CSE;
- (y) **“Exercise Price”** means the price at which a Common Share may be purchased pursuant to the exercise of an Option;
- (z) **“Fair Market Value”** has the meaning attributed to that term in section 5.1;
- (aa) **“Grant Date”** means the date on which a grant of Options is made to a Participant in accordance with section 5.1;
- (bb) **“Incentive Stock Option”** or **“ISO”** means a stock option that is designated, in the applicable Option Agreement or the resolutions of the Administrator under which the Option is granted, as an “incentive stock option” with the meaning of Section 422 of the Code and otherwise meets the requirements to be an “incentive stock option” set forth in Section 422 of the Code.
- (cc) **“insider”** has the meaning attributed to that term in the *Securities Act* (British Columbia);
- (dd) **“Insider Participant”** means a Participant who is (i) an insider of the Corporation or any of its Subsidiaries, and (ii) an associate of any person who is an insider by virtue of (i);
- (ee) **“Investor Relations Activities”** means any activities, by or on behalf of the Corporation or shareholder of the Corporation, that promote or reasonably could be expected to promote the purchase or sale of securities of the Corporation, but does not include:
  - (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation:
    - (A) to promote the sale of products or services of the Corporation, or
    - (B) to raise public awareness of the Corporation, that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;
  - (ii) activities or communications necessary to comply with the requirements of:

- (A) applicable Securities Laws;
- (B) the by-laws, rules or other regulatory instruments of the Exchange or any other self-regulatory body or exchange having jurisdiction over the Corporation;
- (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
  - (A) the communication is only through the newspaper, magazine or publication, and
  - (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (iv) activities or communications that may be otherwise specified by the Exchange.
- (ff) **“Investor Relations Service Provider”** includes any Director, Officer or Employee whose role and duties primarily consist of Investor Relations Activities;
- (gg) **“Market Price”** means, as of any date, the closing price of the Common Shares on the Exchange for the last market trading day prior to the date of grant of the Option or if the Common Shares are not listed on a stock exchange, the Market Price shall be determined in good faith by the Administrators in accordance with valuation principles under U.S. Treasury Regulation Section 1.409A-1(b)(5)(iv)(B);
- (hh) **“Market Value”** means, on any date, the volume weighted average price of the Common Shares traded on the Exchange for the five (5) consecutive trading days prior to such date;
- (ii) **“Non-qualified Stock Option”** or **“NSO”** means an Option that is not an Incentive Stock Option.
- (jj) **“Offer”** means a bona fide arm’s length offer made to all holders of voting shares in the capital of the Corporation to purchase, directly or indirectly, voting shares in the capital of the Corporation;
- (kk) **“Officer”** means an officer (as defined under Securities Laws) of the Corporation or any of its majority-owned Subsidiaries;
- (ll) **“Option”** means an option granted to an Eligible Person under the Plan to purchase Common Shares, and for greater certainty it includes Non-qualified Stock Options and Incentive Stock Options;
- (mm) **“Option Agreement”** has the meaning ascribed to that term in section 3.2;
- (nn) **“Option Exercise Notice”** has the meaning given to that term in section 5.5;
- (oo) **“Participant”** means an Eligible Person selected by the Administrators to participate in the Plan in accordance with section 3.1 hereof;
- (pp) **“Payout Date”** means the day on which the Corporation pays to a Participant the Market Value of the Restricted Share Units that have become vested and payable;
- (qq) **“Plan”** means this share compensation plan, as amended, replaced or restated from time to time;
- (rr) **“Previous Incentive Stock Option Plan”** means the Corporation’s Incentive Stock Option Plan approved by the Board on December 2024 and approved by The shaholder on December 31, 2024;

- (ss) “**reserved for issuance**” refers to Common Shares that may be issued in the future upon the vesting of Restricted Share Units which have been awarded and upon the exercise of Options which have been granted;
- (tt) “**Restricted Share Unit**” means a right granted to a Participant in accordance with section 4.1 hereof as compensation for employment or consulting services or services as a Director or Officer to receive, for no additional cash consideration, one Common Share, a lump sum payment in cash or a combination thereof, that becomes vested in accordance with section 4.3;
- (uu) “**Restricted Share Unit Agreement**” has the meaning ascribed to that term in section 3.2;
- (vv) “**Restricted Share Unit Deferral Agreement**” has the meaning ascribed to that term in section 4.5;
- (ww) “**Securities Laws**” means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to the Corporation;
- (xx) “**Security Based Compensation**” means any Options and Restricted Share Units granted or issued under this Plan but, as the context requires, also includes any deferred share unit, performance share unit, restricted share unit, securities for services, stock appreciation right, stock option, stock purchase plan, any security purchase from treasury by a Participant which is financially assisted by the Corporation by any means whatsoever, and any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Corporation from treasury to an Eligible Person under any other Share Compensation Arrangement, and for greater certainty, does not include:
  - (i) arrangements which do not involve the issuance from treasury or potential from treasury of securities of the Corporation; and
  - (ii) arrangements under which Security Based Compensation is settled solely in cash and/or securities purchased on the secondary market.
- (yy) “**Share Compensation Arrangement**” means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to Directors, Officers and Employees of the Corporation and any of its Subsidiaries or to Consultants;
- (zz) “**Subsidiary**” has the meaning ascribed thereto in the *Securities Act* (British Columbia) and “**Subsidiaries**” shall have a corresponding meaning;
- (aaa) “**United States**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
- (bbb) “**U.S. Participant**” means a Participant who is a citizen of the United States or a resident of the United States, as defined in section 7701(a)(30)(A) and section 7701(b)(1) of the Code and any other Participant who is subject to tax under the Code with respect to compensatory awards granted pursuant to the Plan;
- (ccc) “**U.S. Person**” means a “U.S. person”, as such term is defined in Regulation S under the 1933 Act;
- (ddd) “**Withholding Obligations**” has the meaning ascribed to that term in section 4.6; and
- (eee) “**VWAP**” means the volume weighted average trading price of the Common Shares on the Exchange calculated by dividing the total value by the total volume of such securities trade for the five trading days immediately preceding the exercise of the subject Stock Option.

- 1.2 **Headings:** The headings of all articles, sections, and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan.
- 1.3 **Context, Construction:** Whenever the singular or masculine are used in the Plan, the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires.
- 1.4 **References to this Plan:** The words “hereto”, “herein”, “hereby”, “hereunder”, “hereof” and similar expressions mean or refer to the Plan as a whole and not to any particular article, section, paragraph or other part hereof.
- 1.5 **Currency:** All references in this Plan or in any agreement entered into under this Plan to “dollars”, “\$” or lawful currency shall be references to Canadian dollars, unless the context otherwise requires.

## 2. PURPOSE AND ADMINISTRATION OF THE PLAN

- 2.1 **Purpose:** The Corporation is replacing its Previous Incentive Stock Option Plan with this new omnibus equity incentive plan featuring a rolling reserve of up to 15% of outstanding shares. The purpose of the Plan is to advance the interests of the Corporation and its Subsidiaries, and its shareholders by: (i) ensuring that the interests of Eligible Persons are aligned with the success of the Corporation and its Subsidiaries; (ii) encouraging stock ownership by Eligible Persons; and (iii) providing compensation opportunities to attract, retain and motivate Eligible Persons.

### 2.2 Common Shares Subject to the Plan:

- (a) *General:* This Plan is a “rolling up to 15%” omnibus plan whereby the total number of Common Shares that are issuable pursuant to all Security Based Compensation granted or awarded hereunder, in aggregate, is equal to up to a maximum of 15% of the issued and outstanding Common Shares as of the date of grant or award (together with any Common Shares issuable pursuant to any other Share Compensation Arrangement). For greater certainty, any Restricted Share Units that must be settled in cash in accordance with the Restricted Share Unit Agreement approved by the Administrators at the time of grant shall not count towards the maximum of 15% of issued and outstanding Common Shares reserved under this Plan as required by the policies of the Exchange;
- (b) *Limits for Individuals:* Unless the Corporation obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan to any one Participant (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) in any 12 month period shall not exceed 5% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted to the Participant;
- (c) *Limits for Consultants:* The maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan in any 12 month period to any one Consultant (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) shall not exceed 2% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to the Consultant; and
- (d) *Limits for Investor Relations Service Providers:* The maximum aggregate number of Common Shares issuable pursuant to all Options granted to Investor Relations Service Providers under the Plan in any 12 month period in aggregate shall not exceed 2% of the issued and outstanding Common Shares, calculated as at the date any Option is granted to such Investor Relations Services Provider. For greater certainty, any Consultant that performs Investor Relations Activities or otherwise directly or indirectly promotes or maintains a market for the Corporation’s securities is not entitled to receive any Security Based Compensation under the Plan and Investor Relations Service Providers who are Eligible Persons may not receive any Security Based Compensation other than Options.

### 2.3 Other Terms of the Plan:

- (a) Unless the Corporation obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan to Insider Participants as a group (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) shall not exceed 15% of the issued and outstanding Common Shares at any point in time.
- (b) Unless the Corporation obtains disinterested shareholder approval, the maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan in any 12 month period to Insider Participants as a group (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) shall not exceed 15% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to any Insider Participant.

Any Security Based Compensation must expire within 12 months following the date the Participant ceases to be an Eligible Person under the Plan.

### 2.4 Administration of the Plan: The Plan shall be administered by the Administrators, through the recommendation of the Compensation Committee, if any, of the Board. Subject to any limitations of the Plan, the Administrators shall have the power and authority to:

- (a) adopt rules and regulations for implementing the Plan;
- (b) determine the eligibility of persons to participate in the Plan in accordance with section 3 herein;
- (c) determine when Restricted Share Units and Options to Eligible Persons shall be awarded or granted, the number of Restricted Share Units and Options to be awarded or granted, the vesting criteria for each award of Restricted Share Units and the vesting period for each grant of Options;
- (d) interpret and construe the provisions of the Plan and any agreement or instrument under the Plan;
- (e) subject to regulatory requirements, make exceptions to the Plan in circumstances which they determine to be exceptional;
- (f) require that any Participant provide certain representations, warranties and certifications to the Corporation to satisfy the requirements of applicable laws, including without limitation, if applicable, exemptions from the registration requirements of the 1933 Act and applicable state securities laws; and
- (g) make all other determinations and take all other actions as they determine to be necessary or desirable to implement, administer and give effect to the Plan.

## 3. ELIGIBILITY AND PARTICIPATION IN PLAN

3.1 **The Plan and Participation:** The Plan is hereby established for Eligible Persons. Restricted Share Units may be awarded and Options may be granted to any Eligible Person as determined by the Administrators in accordance with the provisions hereof. The Corporation and each Participant acknowledge that they are responsible for ensuring and confirming that such Participant is a bona fide Eligible Person entitled to receive Options or Restricted Share Units, as the case may be.

3.2 **Agreements:** All Restricted Share Units awarded hereunder shall be evidenced by a restricted share unit agreement (“**Restricted Share Unit Agreement**”) between the Corporation and the Participant, substantially in the form set out in 6.15(d)Exhibit A or in such other form as the Administrators may approve from time to time. All Options granted hereunder shall be evidenced by an option agreement (“**Option Agreement**”)

between the Corporation and the Participant, substantially in the form as set out in 6.15(d)Exhibit B or in such other form as the Administrators may approve from time to time.

#### **4. AWARD OF RESTRICTED SHARE UNITS**

**4.1 Award of Restricted Share Units:** The Administrators may, at any time and from time to time, award Restricted Share Units to Eligible Persons (other than Eligible Persons providing Investor Relations Activities). Restricted Share Units will not be granted to persons providing Investor Relations Activities. In awarding any Restricted Share Units, the Administrators shall determine:

- (a) to whom Restricted Share Units pursuant to the Plan will be awarded;
- (b) the number of Restricted Share Units to be awarded and credited to each Participant's Account;
- (c) the Award Date; and
- (d) subject to section 4.3 hereof, the applicable vesting criteria.

Upon the award of Restricted Share Units, the number of Restricted Share Units awarded to a Participant shall be credited to the Participant's Account effective as of the Award Date.

**4.2 Restricted Share Unit Agreement:** Upon the award of each Restricted Share Unit to a Participant, a Restricted Share Unit Agreement shall be delivered by the Administrators to the Participant.

#### **4.3 Vesting:**

- (a) Subject to subsections (c) and (d) below, at the time of the award of Restricted Share Units, the Administrators shall, subject to Exchange rules, determine in their sole discretion the vesting criteria applicable to such Restricted Share Units, provided that, subject to sections 4.7 and 6.2, no Restricted Share Units may vest before the date that is one year following the date of grant or issue.
- (b) For greater certainty, the vesting of Restricted Share Units may be determined by the Administrators to include criteria such as performance vesting, in which the number of Common Shares and/or lump sum payment in cash to be delivered to a Participant for each Restricted Share Unit that vests may fluctuate based upon the Corporation's performance and/or the market price of the Common Shares, in such manner as determined by the Administrators in their sole discretion.
- (c) Each Restricted Share Unit shall be subject to vesting in accordance with the terms set out in the Restricted Share Unit Agreement.
- (d) Notwithstanding anything to the contrary in this Plan, all vesting and issuances or payments, as applicable, in respect of a Restricted Share Unit shall be completed no later than December 15 of the third calendar year commencing after the Award Date for such Restricted Share Unit.

**4.4 Blackout Periods:** Should the date of vesting of a Restricted Share Unit fall within a Blackout Period formally imposed by the Corporation or within nine Business Days following the expiration of a Blackout Period, such date of vesting shall 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, such tenth Business Day to be considered the date of vesting for such Restricted Share Unit for all purposes under the Plan, provided that with respect to Restricted Share Units of U.S. Participants, the Payout Date will not be delayed beyond March 15<sup>th</sup> of the year following the year in which the Restricted Share Units are no longer subject to a substantial risk of forfeiture for purposes of section 409A of the Code, unless settlement/payout by such date would violate applicable law, or unless payment at a later date would be permitted under Treasury Regulation 1.409A-1(b)(4)(ii). Notwithstanding section 6.4 hereof, the ten Business Day period referred to in this section 4.4 may not be extended by the Board. Notwithstanding the foregoing, with respect to Restricted

Share Units of U.S. Participants, no such extension shall operate to extend the time of settlement/payment with respect to such Restricted Share Units except to the extent permitted under Section 409A of the Code.

4.5 **Vesting and Settlement:** With respect to Restricted Share Units of a U.S. Participant, the date of vesting means the date on which the Restricted Share Units are no longer subject to a substantial risk of forfeiture, because the continued-service vesting conditions, performance-based vesting conditions, if any, and any other vesting conditions have been satisfied, deemed satisfied or waived. As soon as practicable after the relevant date of vesting of any Restricted Share Units awarded under the Plan and with respect to a U.S. Participant, no later than 60 days thereafter, but subject to subsection 4.3(d), a Participant shall be entitled to receive and the Corporation shall issue or pay (at its discretion):

- (a) a lump sum payment in cash equal to the number of vested Restricted Share Units recorded in the Participant's Account multiplied by the Market Value of a Common Share on the Payout Date;
- (b) the number of Common Shares required to be issued to a Participant upon the vesting of such Participant's Restricted Share Units (on the basis of one Common Share for each vested Restricted Share Unit) in the Participant's Account, duly issued as fully paid and non-assessable shares and such Participant shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares; or
- (c) any combination of the foregoing.

Notwithstanding the foregoing, the Administrators may permit a U.S. Participant to defer the payment of Common Shares and/or lump sum payment in cash beyond the date of vesting of Restricted Share Units, provided that such deferral is made pursuant to a written deferral election form (the "**Restricted Share Unit Deferral Agreement**") between the Corporation and the U.S. Participant that complies with the requirements of Section 409A of the Code (including the required timing of such election), substantially in the form as set out in 6.15(d) Exhibit D or in such other form as the Administrators may approve from time to time.

4.6 **Taxes and Source Deductions:** the Corporation or an affiliate of the Corporation may take such reasonable steps for the deduction and withholding of any taxes and other required source deductions which the Corporation or the affiliate, as the case may be, is required by any law or regulation of any governmental authority whatsoever to remit in connection with this Plan, any Restricted Share Units or any issuance of Common Shares and/or lump sum payment of cash hereunder ("**Withholding Obligations**"). Without limiting the generality of the foregoing, the Corporation may, at its discretion: (i) deduct and withhold those amounts it is required to remit pursuant to the Withholding Obligations from any cash remuneration or other amount payable to the Participant, whether or not related to the Plan, the vesting of any Restricted Share Units or the issue of any Common Shares and/or lump sum payment of cash; (ii) allow the Participant to make a cash payment to the Corporation equal to the amount required to be remitted, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant; or (iii) settle a portion of vested Restricted Share Units of a Participant in cash equal to the amount the Corporation is required to remit, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant. Where the Corporation considers that the steps undertaken in connection with the foregoing result in inadequate withholding or a late remittance of taxes, the delivery of any Common Shares to be issued to a Participant on vesting of any Restricted Share Units may be made conditional upon the Participant (or other person) reimbursing or compensating the Corporation or making arrangements satisfactory to the Corporation for the payment to it in a timely manner of all taxes required to be remitted, pursuant to the Withholding Obligations, for the account of the Participant.

4.7 **Rights Upon an Event of Termination:**

- (a) If an Event of Termination has occurred in respect of any Participant, any and all Common Shares corresponding to any vested Restricted Share Units in the Participant's Account shall be issued and/or any applicable lump sum cash amounts shall be paid as soon as practicable after the Event of

Termination to the former Participant in accordance with section 4.5 hereof. With respect to each vested Restricted Share Unit of a U.S. Participant, such Restricted Share Unit in any case will be settled and Common Shares issued and/or cash paid as soon as practicable following the date of vesting of such Restricted Share Unit, but in all cases within 60 days following such date of vesting, except to the extent otherwise specified in an applicable Restricted Share Unit Deferral Agreement.

- (b) If an Event of Termination has occurred in respect of any Participant, any unvested Restricted Share Units in the Participant's Account shall, unless otherwise determined by the Administrators in their discretion, forthwith and automatically be forfeited by the Participant and cancelled. With respect to any unvested Restricted Share Unit of a U.S. Participant, if the Administrators determine, in their discretion, to waive all vesting conditions applicable to a Restricted Share Unit that is unvested at the time of an Event of Termination, such Restricted Share Unit shall not be forfeited or cancelled, but instead will be deemed to be vested (and the date of such waiver of vesting conditions will be the date of vesting) and Common Shares will be delivered, and/or any applicable lump sum cash amounts shall be paid, within sixty (60) days following such date of vesting of such Restricted Share Unit, except to the extent otherwise specified in an applicable Restricted Share Unit Deferral Agreement, if any.
- (c) Notwithstanding the foregoing subsection 4.7(b) and subject to the requirements of the Exchange, if a Participant retires in accordance with the Corporation's retirement policy, at such time, any unvested Restricted Share Units that remain subject to performance-based vesting conditions in the Participant's Account shall not be forfeited by the Participant or cancelled and instead shall be eligible to become vested on the earlier of: (i) twelve (12) months from the date of such termination; or (ii) the last day of the performance period set forth in the applicable Restricted Share Unit Agreement after such retirement, notwithstanding that the Participant is no longer employed by the Corporation or an affiliate on such date, but only if the performance vesting criteria are met on the applicable date, and such date will be the date of vesting for purposes of the timing of settlement of Restricted Share Units in accordance with Section 4.5 hereof.
- (d) For greater certainty, if a Participant's employment is terminated for just cause, each unvested Restricted Share Unit in the Participant's Account shall forthwith and automatically be forfeited by the Participant and cancelled.
- (e) For the purposes of this Plan and all matters relating to the Restricted Share Units, the date of the Event of Termination shall be determined without regard to any applicable severance or termination pay, damages, or any claim thereto (whether express, implied, contractual, statutory, or at common law).

4.8 **Restricted Share Unit Accounts:** A separate notional account for Restricted Share Units shall be maintained for each Participant (an "Account"). Each Account will be credited with Restricted Share Units awarded to the Participant from time to time pursuant to section 4.1 hereof by way of a bookkeeping entry in the books of the Corporation. On the vesting of the Restricted Share Units pursuant to section 4.3 hereof and the corresponding issuance of Common Shares and/or lump sum payment of cash to the Participant pursuant to section 4.5 hereof, or on the forfeiture and cancellation of the Restricted Share Units pursuant to section 4.7 hereof, the applicable Restricted Share Units credited to the Participant's Account will be cancelled.

4.9 **Record Keeping:** The Corporation shall maintain records in which shall be recorded:

- (a) the name and address of each Participant;
- (b) the number of Restricted Share Units credited to each Participant's Account;
- (c) any and all adjustments made to Restricted Share Units recorded in each Participant's Account; and
- (d) any other information which the Corporation considers appropriate to record in such records.

## 5. GRANT OF OPTIONS

5.1 **Grant of Options:** The Administrators may at any time and from time to time grant Options to Eligible Persons. In granting any Options, the Administrators shall determine:

- (a) to whom Options pursuant to the Plan will be granted;
- (b) the number of Options to be granted, the Grant Date and the Exercise Price of each Option;
- (c) subject to section 5.4, the expiration date of each Option;
- (d) subject to section 5.3 hereof, the applicable vesting criteria; and
- (e) for Options awarded to U.S. Participants, whether the Option is an Incentive Stock Option or a Non-qualified Stock Option,

provided, however that the Exercise Price for a Common Share pursuant to any Option shall not be less than the Discounted Market Price on the Grant Date in respect of that Option, and provided further that, with respect to Options awarded to U.S. Participants, the Exercise Price shall not be less than the closing price of Common Shares on the Exchange on the Grant Date, or if Common Shares are not listed on a stock exchange, the fair market value as determined by the Administrator in accordance with the valuation principles under Section 409A of the Code (in either case, the “Fair Market Value”). Notwithstanding the foregoing, the Administrator may designate an Exercise Price less than the Fair Market Value on the Grant Date if the Option is (i) granted in substitution for a stock option previously granted by an entity that is acquired by or merged with the Corporation or an affiliate, or (ii) otherwise structured to be exempt from, or to comply with, Section 409A of the Code in the case of Options awarded to U.S. Participants.

5.2 **Option Agreement:** Upon each grant of Options to a Participant, an Option Agreement shall be delivered by the Administrators to the Participant.

5.3 **Vesting:**

- (a) Subject to subsection 2.2(d) above with respect to grants to Eligible Persons providing Investor Relations Activities, at the time of the grant of any Options, the Administrators shall determine in accordance with minimum vesting requirements of the Exchange, the vesting criteria applicable to such Options.
- (b) The Administrators may determine when any Option will become exercisable and may determine that Options shall be exercisable in instalments or pursuant to a vesting schedule. The Option Agreement will disclose any vesting conditions prescribed by the Administrators.

5.4 **Term of Option/Blackout Periods:** The term of each Option shall be determined by the Administrators; provided that no Option shall be exercisable after ten years from the Grant Date. Should the term of an Option expire on a date that falls within a Blackout Period formally imposed by the Corporation or within nine Business Days following the expiration of a Blackout Period, such expiration date shall, except as provided in Section 5.12 and Section 6.15, 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, such tenth Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding the foregoing, the term of an Option of a U.S. Participant shall not be extended beyond the earlier of the Option Expiry Date as set forth in the applicable Option Agreement (without regard to earlier termination of an option as a result of termination of employment or services) and the tenth anniversary of the Grant Date. Notwithstanding section 6.4 hereof, the ten Business Day period referred to in this section 5.4 may not be extended by the Board.

5.5 **Exercise of Option:** Options that have vested in accordance with the provisions of this Plan and the applicable Option Agreement may be exercised at any time, or from time to time, during their term and, subject to the provisions of sections 5.7, 5.8 and 5.9 hereof, as to any number of whole Common Shares that are then available for purchase thereunder; provided that no partial exercise may be for less than 100 whole Common Shares. Options may be exercised by delivery of a written notice of exercise to the Administrators, substantially in the form attached to this Plan as 6.15(d)Exhibit C (the “**Option Exercise Notice**”), with respect to the Options, or by any other form or method of exercise acceptable to the Administrators.

5.6 **Regular Exercise; Payment and Issuance:** Upon actual receipt by the Corporation or its agent of the materials required by subsection 5.5 and receipt by the Corporation of cash, a cheque, bank draft or other form of payment acceptable to the Administrators for the payment of the aggregate Exercise Price, the number of Common Shares in respect of which the Options are exercised will be issued as fully paid and non-assessable shares and the Participant exercising the Options shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares. No person or entity shall enjoy any part of the rights or privileges of a holder of Common Shares which are subject to Options until that person or entity becomes the holder of record of those Common Shares. No Common Shares will be issued by the Corporation prior to the receipt of payment by the Corporation for the aggregate Exercise Price for the Options being exercised.

5.7 **Cashless Exercise:** Without limiting the foregoing section 5.6, unless otherwise determined by the Administrators or not compliant with any applicable laws or rules of any applicable securities exchange or market, a Participant may elect cashless exercise in its Option Exercise Notice. In such case, the Participant will not be required to deliver to the Administrators a cheque or other form of payment for the aggregate Exercise Price referred to above. Instead the following provisions will apply:

(a) The Participant will instruct a broker selected by the Participant to sell through the stock exchange or market on which the Common Shares are listed or quoted, sufficient number of Common Shares issuable on the exercise of Options to cover the Exercise Price, as soon as possible upon the issue of such Common Shares to the Participant at the then applicable bid price of the Common Shares.

(b) Before the relevant trade date, the Participant will deliver the Option Exercise Notice including details of the trades to the Corporation electing the cashless exercise and the Corporation will direct its registrar and transfer agent to issue a certificate for such Participant’s Common Shares in the name of the broker (or as the broker may otherwise direct) for the number of Common Shares issued on the exercise of the Options, against payment by the broker to the Corporation of (i) the Exercise Price for such Common Shares; and (ii) the amount the Corporation determines, in its discretion, is required to satisfy the Corporation withholding tax and source deduction remittance obligations in respect of the exercise of the Options and issuance of Common Shares.

5.8 **Net Exercise:** Subject to prior approval by the Administrators, a Participant may elect to surrender for cancellation to the Corporation any vested Options being exercised and the Corporation will issue to the Participant, as consideration for the surrender of such Options, that number of Common Shares (rounded down to the nearest whole Common Share) on a net issuance basis in accordance with the following formula below:

$$X = \frac{Y(A - B)}{A}$$

where:

X = The number of Common Shares to be issued to the Participant in consideration for the net exercise of the Options under this section 5.8;

Y = The number of vested Options with respect to the vested portion of the Option to be surrendered for cancellation;

A = The VWAP of the Common Shares; and

B = The Exercise Price for such Options.

5.9 **Taxes and Source Deductions:** The Corporation or an affiliate of the Corporation may take such reasonable steps for the deduction and withholding of any taxes and other required source deductions which the Corporation or the affiliate, as the case may be, is required by any law or regulation of any governmental authority whatsoever to remit pursuant to the Withholding Obligations in connection with this Plan, any Options or any issuance of Common Shares. Without limiting the generality of the foregoing, the Corporation may, at its discretion: (i) deduct and withhold those amounts it is required to remit, pursuant to the Withholding Obligations, from any cash remuneration or other amount payable to the Participant, whether or not related to the Plan, the exercise of any Options or the issue of any Common Shares; or (ii) allow the Participant to make a cash payment to the Corporation equal to the amount required to be remitted, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant. Where the Corporation considers that the steps undertaken in connection with the foregoing result in inadequate withholding or a late remittance of taxes, the delivery of any Common Shares to be issued to a Participant on the exercise of Options may be made conditional upon the Participant (or other person) reimbursing or compensating the Corporation or making arrangements satisfactory to the Corporation for the payment in a timely manner of all taxes required to be remitted, pursuant to the Withholding Obligations, for the account of the Participant.

5.10 **Rights Upon an Event of Termination:**

- (a) If an Event of Termination has occurred in respect of a Participant, any unvested Options, to the extent not available for exercise as of the date of the Event of Termination, shall, unless otherwise determined by the Administrators in their discretion, forthwith and automatically be cancelled, terminated and not available for exercise without further consideration or payment to the Participant.
- (b) Except as otherwise stated herein or otherwise determined by the Administrators in their discretion, upon the occurrence of an Event of Termination in respect of a Participant, any vested Options granted to the Participant may be exercised that until the earlier of (i) the expiry date, and (ii) the date that is 30 days following termination unless otherwise agreed to by the Administrators.
- (c) If the engagement of the Participant as a Director, Officer, Employee or Consultant is terminated for cause (as determined by common law), any Option granted hereunder to such optionee shall terminate and cease to be exercisable immediately upon the Participant ceasing to be a Director, Officer, Employee or Consultant by reason of termination for cause.
- (d) If the engagement of the Participant as a Director, Officer, Employee or Consultant of the Company is terminated for any reason other than cause (as determined by common law), disability or death, or if such Director, Officer, Employee, or Consultant resigns, as the case may be, the Participant may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the date of termination until the date that is the earlier of (i) the Expiry Date, and (ii) the date that is 30 days after the effective date of the Participant ceasing to be a Director, Officer, Employee or Consultant for such reason or because of such resignation.
- (e) If the Participant dies, the Participant's lawful personal representatives, heirs or executors may exercise any Option granted hereunder to the Participant to the extent such Option was exercisable and had vested on the date of death until the earlier of (i) the expiry date, and (ii) one year after the date of death of such Participant.

- (f) If the Participant ceases to be an Eligible Person due to his Disability, or, in the case of an Participant that is a company, the Disability of the person who provides management or consulting services to the Company or to an Affiliate, the Participant may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the Date of Disability until the earlier of (i) the Expiry Date, and (ii) the date that is one year after the Date of Disability.
- (g) If the Participant ceases to be one type of Eligible Person but concurrently is or becomes one or more other type of Eligible Person, the Option will not terminate but will continue in full force and effect and the optionee may exercise the Option until the earlier of (i) the Expiry Date, and (ii) the applicable date set forth in 5.10(c) and 5.10(f) above where the Participant ceases to be any type of Eligible Person. If the Participant is an Employee, the Option will not be affected by any change of the Participant's employment where the Participant continues to be employed by the Company or an Affiliate.
- (h) Notwithstanding the foregoing subsections 5.10(a) and **Error! Reference source not found.**, if a Participant's employment or engagement is terminated by the Corporation for just cause, any vested Options granted to the Participant that are available for exercise may be exercised only before the earlier of:
  - (i) the expiry of the Option; and
  - (ii) 120 days after the date of the Event of Termination.
- (i) For the purposes of this Plan and all matters relating to the Options, the date of the Event of Termination shall be determined without regard to any applicable severance or termination pay, damages, or any claim thereto (whether express, implied, contractual, statutory, or at common law).
- (j) If an Event of Termination involving the death of a Participant occurs and such Participant is entitled to any Options in accordance with this section 5.10, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.

5.11 **Record Keeping:** The Corporation shall maintain an Option register in which shall be recorded:

- (a) the name and address of each holder of Options;
- (b) the number of Common Shares subject to Options granted to each holder of Options;
- (c) the term of the Option and Exercise Price, including adjustments for each Option granted; and
- (d) any other information which the Corporation considers appropriate to record in such register.

5.12 **Incentive Stock Options:**

- (a) Maximum Number of Shares for Incentive Stock Options. Notwithstanding any other provision of this Plan to the contrary, the aggregate number of Common Shares available for Incentive Stock Options is 500,000, subject to adjustment pursuant to Section 6.3 of this Plan and subject to the provisions of Sections 422 and 424 of the Code.
- (b) Designation of Options. Each Option Agreement with respect to an Option granted to a U.S. Participant shall specify whether the related Option is an Incentive Stock Option or a Nonqualified Stock Option. If no such specification is made in the Option Agreement or in the resolutions of the Administrator under which the Option was granted, the related Option will be a Nonqualified Stock Option.
- (c) Special Requirements for Incentive Stock Options. In addition to the other terms and conditions of this Plan (and notwithstanding any other term or condition of this Plan to the contrary), the following limitations and requirements will apply to an Incentive Stock Option:
  - (i) An Incentive Stock Option may be granted only to an employee of the Corporation, or an employee of a subsidiary of the Corporation within the meaning of Section 424(f) of the Code.
  - (ii) The aggregate Fair Market Value of the Common Shares (determined as of the applicable Grant Date) with respect to which Incentive Stock Options are exercisable for the first time by any U.S. Participant during any calendar year (pursuant to this Plan and all other plans of the Corporation and of any Parent or Subsidiary, as defined in Sections 424(e) and (f) respectively) will not exceed one hundred thousand United States dollars (US\$100,000) or any other limitation subsequently set forth in Section 422(d) of the Code. To the extent that an Option that is designated as an Incentive Stock Option becomes exercisable for the first time during any calendar year for Common Shares having a Fair Market Value greater than US\$100,000, the portion that exceeds such amount will be treated as a Nonqualified Stock Option.
  - (iii) The exercise price per Common Share payable upon exercise of an Incentive Stock Option will be not less than one hundred percent (100%) of the Fair Market Value of a Common Share on the applicable Grant Date; *provided, however*, that the exercise price per Share payable upon exercise of an Incentive Stock Option granted to a U.S. Participant who is a 10% Shareholder (within the meaning of Code Sections 422 and 424) on the applicable Grant Date will be not less than one hundred ten percent (110%) of the Fair Market Value of a Common Share on the applicable Grant Date.
  - (iv) No Incentive Stock Option may be granted more than ten (10) years after the earlier of (i) the date on which this Plan is adopted by the Board or (ii) the date on which this Plan is approved by the shareholders of the Corporation.

- (v) An Incentive Stock Option will terminate and no longer be exercisable no later than ten (10) years after the applicable Grant Date; *provided, however*, that an Incentive Stock Option granted to a U.S. Participant who is a 10% Shareholder (within the meaning of Code Sections 422 and 424) on the applicable Grant Date will terminate and no longer be exercisable no later than five (5) years after the applicable Grant Date.
- (vi) An Incentive Stock Options shall be exercisable in accordance with its terms under the Plan and the applicable Option Agreement and related exhibits and appendices thereto. However, in order to retain its treatment as an Incentive Stock Option for United States federal income tax purposes, the Incentive Stock Option must be exercised within the following time periods (to the extent it otherwise is exercisable during such period pursuant to its terms):
  - (A) For Incentive Stock Option treatment, if a U.S. Participant who has been granted an Incentive Stock Option ceases to be an employee due to the Disability of such U.S. Participant (within the meaning of Code Section 22(e)), such Incentive Stock Option must be exercised (to the extent such Incentive Stock Option was exercisable on the date of Disability) by the date that is one year following the date of such Disability (but in no event beyond the term of such Incentive Stock Option).
  - (B) For Incentive Stock Option treatment, if a U.S. Participant who has been granted an Incentive Stock Option ceases to be an employee for any reason other than the death or Disability of such U.S. Participant, such Incentive Stock Option must be exercised (to the extent such Incentive Stock Option was exercisable on the date of termination) by such U.S. Participant within three months following the date of termination (but in no event beyond the term of such Incentive Stock Option).
  - (C) For purposes of this Section 5.12(c)(vi), the employment of a U.S. Participant who has been granted an Incentive Stock Option will not be considered interrupted or terminated upon (a) sick leave, military leave or any other leave of absence approved by the Board that does not exceed ninety (90) days in the aggregate; *provided, however*, that if reemployment upon the expiration of any such leave is guaranteed by contract or applicable law, such ninety (90) day limitation will not apply, or (b) a transfer from one office of the Corporation (or of any Subsidiary) to another office of the Corporation (or of any Subsidiary) or a transfer between the Corporation and any Subsidiary.
- (vii) An Incentive Stock Option granted to a U.S. Participant may be exercised during such U.S. Participant's lifetime only by such U.S. Participant.
- (viii) An Incentive Stock Option granted to a U.S. Participant may not be transferred, assigned, pledged, hypothecated or otherwise disposed of by such U.S. Participant, except by will or by the laws of descent and distribution.
- (ix) In the event the Plan is not approved by the shareholders of the Corporation in accordance with the requirements of Section 422 of the Code within twelve (12) months of the date of adoption of the Plan, Options otherwise designated as Incentive Stock Options will be Nonqualified Stock Options.
- (x) The Corporation shall have no liability to a U.S. Participant or any other party if any Option (or any part thereof) intended to be an Incentive Stock Option is not an Incentive Stock Option.

## 6. GENERAL

6.1 **Effective Date of Plan:** The Plan shall be effective as of the Effective Date.

6.2 **Change of Control:** If there is a Change of Control transaction then, notwithstanding any other provision of this Plan except subsection 4.3(d) which will continue to apply in all circumstances, all unvested Restricted Share Units and any or all Options (whether or not currently exercisable) shall automatically vest or become exercisable, as applicable, such that Participants under the Plan shall be able to participate in the Change of Control transaction, including, at the election of the holder thereof, by surrendering such Restricted Share Units and Options to the Corporation or a third party or exchanging such Restricted Share Units or Options, for consideration in the form of cash and/or securities, to be determined by the Administrators in their sole discretion, subject to prior Exchange acceptance. Notwithstanding the foregoing, with respect to Options of U.S. Participants, any exchange, substitution or amendment of such Options will occur only to the extent and in a manner that will not result in the imposition of taxes under Section 409A of the Code, and with respect to Restricted Share Units of U.S. Participants, any surrender or other modification of Restricted Share Units will occur only to the extent such surrender or other modification will not result in the imposition of taxes under Section 409A of the Code.

6.3 **Reorganization Adjustments:**

- (a) In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification or other distribution of the Corporation's equity securities without the receipt of consideration by the Corporation, of or on the Common Shares, the Administrators shall proportionately adjust the number of securities purchasable and the exercise price thereof under each outstanding Option, and the number of securities allocated under each outstanding Restricted Share Unit. In the event of any other declaration by the Corporation of any stock dividend payable in securities (other than a dividend which may be paid in cash or in securities at the option of the holder of Common Shares), or any subdivision or consolidation of Common Shares, reclassification or conversion of Common Shares, or any combination or exchange of securities, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin off involving the Corporation, distribution (other than normal course cash dividends) of company assets to holders of Common Shares, or any other corporate transaction or event involving the Corporation or the Common Shares, the Administrators, in the Administrators' sole discretion, may, subject to any relevant resolutions of the Board and any necessary Exchange approvals, and without liability to any person, make such changes or adjustments, if any, as the Administrators consider fair or equitable, in such manner as the Administrators may determine, to reflect such change or event including, without limitation, adjusting the number of Options and Restricted Share Units outstanding under this Plan, the type and number of securities or other property to be received upon exercise or redemption thereof, and the Exercise Price of Options outstanding under this Plan, provided that the value of any Option or Restricted Share Unit immediately after such an adjustment, as determined by the Administrators, shall not exceed the value of such Option or Restricted Share Unit prior thereto, as determined by the Administrators.
- (b) Notwithstanding the foregoing, with respect to Options and Restricted Share Units of U.S. Participants, such changes or adjustments will be made in a manner so as to not result in the imposition of taxes under Section 409A of the Code and will comply with the requirements in subsection 4.3(d).
- (c) The Corporation shall give notice to each Participant in the manner determined, specified or approved by the Administrators of any change or adjustment made pursuant to this section and, upon such notice, such adjustment shall be conclusive and binding for all purposes.
- (d) The Administrators may from time to time adopt rules, regulations, policies, guidelines or conditions with respect to the exercise of the power or authority to make changes or adjustments pursuant to section 6.2 or section 6.3(a). The Administrators, in making any determination with respect to

changes or adjustments pursuant to section 6.2 or section 6.3(a) shall be entitled to impose such conditions as the Administrators consider or determine necessary in the circumstances, including conditions with respect to satisfaction or payment of all applicable taxes (including, but not limited to, withholding taxes).

**6.4 Amendment or Termination of Plan:**

The Board may amend this Plan or any Restricted Share Unit or any Option at any time without the consent of Participants provided that such amendment shall:

- (a) not adversely alter or impair any Restricted Share Unit previously awarded or any Option previously granted except as permitted by the provisions of section 6.3 hereof, and, with respect to Restricted Share Units and Options of U.S. Participants, such amendment will not result in the imposition of taxes under Section 409A;
- (b) be subject to any regulatory approvals including, where required, the approval of the Exchange; and
- (c) be subject to shareholder approval, where required by the requirements of the Exchange, provided that shareholder approval shall not be required for the following amendments:
  - (i) amendments of a “housekeeping nature”, including any amendment to the Plan or a Restricted Share Unit or Option that is necessary to comply with applicable laws, tax or accounting provisions or the requirements of any regulatory authority or stock exchange and any amendment to the Plan or a Restricted Share Unit or Option to correct or rectify any ambiguity, defective provision, error or omission therein, including any amendment to any definitions therein;
  - (ii) amendments that are necessary or desirable for Restricted Share Units or Options to qualify for favourable treatment under any applicable tax law;
  - (iii) a change to the vesting provisions of any Restricted Share Unit or any Option (including any alteration, extension or acceleration thereof);
  - (iv) a change to the termination provisions of any Option or Restricted Share Units (for example, relating to termination of employment, resignation, retirement or death) that does not entail an extension beyond the original expiration date (as such date may be extended by virtue of section 5.4);
  - (v) the introduction of features to the Plan that would permit the Corporation to, instead of issuing Common Shares from treasury upon the vesting of the Restricted Share Units, retain a broker and make payments for the benefit of Participants to such broker who would purchase Common Shares in the open market for such Participants;
  - (vi) the amendment of this Plan as it relates to making lump sum payments to Participants upon the vesting of the Restricted Share Units;
  - (vii) the amendment of the cashless exercise feature set out in this Plan; and
- (d) be subject to disinterested shareholder approval in the event of any reduction in the Exercise Price, or the extension of the term, of any Option granted under the Plan to an Insider Participant.

For greater certainty, and subject to approval by the Exchange (if applicable), shareholder approval shall be required in circumstances where an amendment to the Plan would:

- (e) change from a fixed maximum percentage of issued and outstanding Common Shares to a fixed maximum number of Common Shares;
  - (f) increase the limits in section 2.2;
  - (g) reduce the Exercise Price of any Option (including any cancellation of an Option for the purpose of reissuance of a new Option at a lower Exercise Price to the same person);
  - (h) extend the term of any Option beyond the original term (except if such period is being extended by virtue of section 5.4 hereof); or
  - (i) amend this section 6.4.
- 6.5 **Termination:** The Administrators may terminate this Plan at any time in their absolute discretion. If the Plan is so terminated, no further Restricted Share Units shall be awarded and no further Options shall be granted, but the Restricted Shares Units then outstanding and credited to Participants' Accounts and the Options then outstanding shall continue in full force and effect in accordance with the provisions of this Plan. Any termination of this Plan shall occur in a manner that will not result in the imposition of taxes on a U.S. Participant under Section 409A.
- 6.6 **Transferability:** A Participant shall not be entitled to transfer, assign, charge, pledge or hypothecate, or otherwise alienate, whether by operation of law or otherwise, the Participant's Restricted Share Units or Options or any rights the Participant has under the Plan.
- 6.7 **Rights as a Shareholder:** Under no circumstances shall the Restricted Share Units or Options be considered Common Shares nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Common Shares (including, but not limited to, the right to dividend equivalent payments).
- 6.8 **Credits for Dividends:**
- (a) Subject to section 6.8(b), whenever cash or other dividends are paid on Common Shares, additional Restricted Share Units will be automatically granted to each Participant who holds Restricted Share Units on the record date for such dividends. The number of such Restricted Share Units (rounded to the nearest whole Restricted Share Unit) to be credited to such Participant as of the date on which the dividend is paid on the Common Shares shall be an amount equal to the quotient obtained when (i) the aggregate value of the cash or other dividends that would have been paid to such Participant if the Participant's Restricted Share Units as of the record date for the dividend had been Common Shares, is divided by (ii) the Market Value of the Common Shares as of the date on which the dividend is paid on the Common Shares. Restricted Share Units granted to a Participant shall be subject to the same vesting conditions (time and performance (as applicable)) as the Restricted Share Units to which they relate.
  - (b) In the event that the number of Restricted Share Units to be granted in accordance with section 6.8(a) would result in the number of Common Shares issuable pursuant to all Security Based Compensation granted or awarded hereunder exceeding 15% of the issued and outstanding Common Shares at the date of grant, such Restricted Share Units shall not be granted and the Administrators may determine, in their sole discretion, to make a cash payment to the Participant in lieu thereof equal to the aggregate value determined pursuant to section 6.8(a).

**6.9 No Effect on Employment, Rights or Benefits:**

- (a) The terms of employment shall not be affected by participation in the Plan.
- (b) Nothing contained in the Plan shall confer or be deemed to confer upon any Participant the right to continue as a director, officer, employee or Consultant nor interfere or be deemed to interfere in any way with any right of the Corporation, the Board or the shareholders of the Corporation to remove any Participant from the Board or of the Corporation or any Subsidiary to terminate any Participant's employment or agreement with a Consultant at any time for any reason whatsoever.
- (c) Under no circumstances shall any person who is or has at any time been a Participant be able to claim from the Corporation or any Subsidiary any sum or other benefit to compensate for the loss of any rights or benefits under or in connection with this Plan or by reason of participation in this Plan.

**6.10 Market Value of Common Shares:** The Corporation makes no representation or warranty as to the future market value of any Common Shares. No Participant shall be entitled, either immediately or in the future, either absolutely or contingently, to receive or obtain any amount or benefit granted to or to be granted for the purpose of reducing the impact, in whole or in part, of any reduction in the market value of the shares of the Corporation or a corporation related thereto.

**6.11 Compliance with Applicable Law:**

- (a) If any provision of the Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith. Notwithstanding the foregoing, the Corporation shall have no obligation to register any securities provided for in this Plan under the 1933 Act.
- (b) The award of Restricted Share Units, the grant of Options and the issuance of Common Shares and/or lump sum payment of cash under this Plan shall be carried out in compliance with applicable statutes and with the regulations of governmental authorities and applicable stock exchanges and markets. If the Administrators determine in their discretion that, in order to comply with any such statutes or regulations, certain action is necessary or desirable as a condition of or in connection with the award of a Restricted Share Unit, the grant of an Option or the issue of a Common Share upon the vesting of a Restricted Share Unit or exercise of an Option, as applicable, that Restricted Share Unit may not vest in whole or in part and that Option may not be exercised in whole or in part, as applicable, unless that action shall have been completed in a manner satisfactory to the Administrators. In addition, unless the Restricted Share Units, the Options and the Common Shares issuable pursuant to the Restricted Share Units and Options, as applicable, have been registered under the 1933 Act and any applicable U.S. state securities laws, all rights of a Participant under this Plan shall be subject to and conditioned upon the availability of exemptions or exclusions from the registration requirements of the 1933 Act and any applicable U.S. state securities laws, as determined by the Corporation in its sole discretion. Any Restricted Share Units or Options granted or issued to a person in the United States or a U.S. Person, as well as the issue of Common Shares pursuant thereto, will result in any certificate representing such securities bearing a United States restrictive legend restricting transfer of such securities under United States federal and state securities laws.

- (c) If the Common Shares are listed on the CSE and the award of Restricted Share Units or grant of Options under this Plan is made to a Director, Officer, promoter or other insider of the Corporation, and unless the respective award, grant or issuance or is qualified by prospectus, or issued under a securities take-over bid, rights offering, amalgamation, or other statutory procedure, then the Restricted Share Unit Agreement or Option Agreement will bear an Exchange Hold Period, and the following legend will be inserted onto the first page of the Restricted Share Unit Agreement or Option Agreement:

“WITHOUT PRIOR WRITTEN APPROVAL OF THE CANADIAN SECURITIES EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS AGREEMENT AND ANY SECURITIES ISSUED UPON EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE CANADIAN SECURITIES EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL \_\_\_\_\_, 20\_\_\_\_ [i.e., four months and one day after the date of grant].

- 6.12 **Governing Law:** This Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein, and with respect to U.S. Participants, the Code.
- 6.13 **Subject to Approval:** The Plan is adopted subject to the approval of the Exchange and any other required regulatory approval. To the extent a provision of the Plan requires regulatory approval which is not received, such provision shall be severed from the remainder of the Plan until the approval is received and the remainder of the Plan shall remain in effect.
- 6.14 **Special Terms and Conditions Applicable to U.S. Participants:** Options issued to U.S. Participants are intended to be exempt from Section 409A of the Code pursuant to Treas. Reg. Section 1.409A-1(b)(5)(i)(A) and the Plan and such Options will be construed and administered accordingly. Options may be issued to U.S. Participants under the Plan only if the shares with respect to the Options qualify as “service recipient stock” as defined in Treas. Reg. Section 1.409A-1(b)(5)(E)(iii). Restricted Share Units awarded to U.S. Participants are intended to be exempt from, or compliant with, Section 409A of the Code and such Restricted Share Units will be construed and administered accordingly. Any waiver or acceleration of vesting under the Plan or any Restricted Share Unit Agreement that is subject to Section 409A of the Code may occur only to the extent that such acceleration or waiver will not result in the imposition of taxes under Section 409A of the Code. Any payments made under this Plan or any Restricted Share Unit Agreement to a U.S. Participant as a result of a termination of employment that are deemed to be subject to Section 409A of the Code shall occur only if such termination constitutes a “separation from service” as defined in Treas. Reg. 1.409A-1(h). Additionally, any payments resulting from a separation from service made to a U.S. Participant who is a “specified employee” as defined in Treas. Reg. 1.409A-1(i) shall be subject to the six month delay in payments required by Treas. Reg. 1.409A-1(3)(v) if such payments are deemed to be subject to Section 409A of the Code. Although the Corporation intends Options and Restricted Share Units granted to U.S. Participants to be exempt from or compliant with Section 409A, the Corporation makes no representation or guaranty as to the tax treatment of such Options and Restricted Share Units. Each U.S. Participant (and any beneficiary or the estate of the Participant, as applicable) 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 this Plan. Neither the Corporation nor any affiliate, nor any employee or director of the Corporation or an affiliate, shall have any obligation to indemnify or otherwise hold such U.S. Participant, beneficiary or estate harmless from any or all such taxes or penalties.
- 6.15 **Special Terms and Conditions Applicable to California Residents:** Notwithstanding any other provision of this Plan or any agreement hereunder, unless otherwise exempted from the provisions of the California securities laws, all Options and Restricted Share Units granted or proposed to be granted hereunder to, or held by, residents of the State of California shall be subject to the following provisions:

- (a) No Option or Restricted Share Unit shall be granted to a resident of the State of California more than 10 years after the earlier of (i) the date the Board approved the Plan or (ii) the date the Plan is adopted by the Corporation's shareholders.
- (b) No Option or Restricted Share Unit held by a resident of the State of California may be exercised or settled more than 10 years after its Grant Date or Award Date, respectively.
- (c) With respect to Section 4.7 and Section 5.10(c), cause means cause as defined by applicable law, the terms of the Plan or the grant, or a contract of employment. Unless employment is terminated for cause, as so defined, the right to exercise in the event of termination of employment, to the extent that the optionee is entitled to exercise on the date employment terminates, continues until the earlier of the option expiration date or (i) at least six months from the date of termination if termination was caused by death or disability, or (ii) at least 30 days from the date of termination if termination was caused by other than death or disability.
- (d) No Option or Restricted Share Unit shall be granted to a resident of the State of California unless at the time of such grant, the Corporation is a foreign private issuer, as defined by Rule 3b-4 of the United States Securities Exchange Act of 1934, as amended, and the number of persons in the State of California granted Options and Restricted Share Units, together with all other persons in the State of California granted options under all other options plans and agreements and issued securities under all other purchase and bonus plans and agreements of the Corporation does not exceed 35; provided, however, that the foregoing restrictions shall not apply if the Plan is approved by the holders of a majority of the outstanding Common Shares entitled to vote within 12 months after the date the Board approved the Plan. For purposes of calculating any such shareholder approval, any Common Shares held upon exercise of Options or settlement of Restricted Share Units by residents of the State of California shall not be counted.

**ADOPTED** the 9th day of April, 2026.

## EXHIBIT A

THE RESTRICTED SHARE UNITS AND THE UNDERLYING COMMON SHARES HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR ANY U.S. STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS UNLESS SUCH SECURITIES ARE REGISTERED UNDER THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS ARE AVAILABLE. THE TERMS "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED IN REGULATIONS UNDER THE 1933 ACT.

[Insert if required: WITHOUT PRIOR WRITTEN APPROVAL OF THE CANADIAN SECURITIES EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS AGREEMENT AND ANY SECURITIES ISSUED UPON EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE CANADIAN SECURITIES EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL \_\_\_\_\_, 20\_\_\_\_ [FOUR MONTHS AND ONE DAY AFTER THE DATE OF GRANT].

### RESTRICTED SHARE UNIT AGREEMENT

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Restricted Share Grant Date") Waskahigan Oil & Gas Corp (the "Corporation") has granted to \_\_\_\_\_ (the "Participant"), \_\_\_\_\_ Restricted Share Units pursuant to the Corporation's Share Compensation Plan (the "Plan"), a copy of which has been provided to the Participant.

Restricted Share Units are subject to the following terms:

- (a) Pursuant to the Plan and as compensation to the Participant, the Corporation hereby grants to the Participant, as of the Restricted Share Grant Date, the number of Restricted Share Units set forth above.
- (b) The granting and vesting of the Restricted Share Units and the payment by the Corporation of any payout in respect of any Vested Restricted Share Units (as defined below) are subject to the terms and conditions of the Plan, all of which are incorporated into and form an integral part of this Restricted Share Unit Agreement.
- (c) Provided the Participant remains in continuous service with the Corporation or an affiliate through the applicable dates below, the Restricted Share Units shall become vested restricted share units (the "Vested Restricted Share Units") in accordance with the following schedule:
  - (i) ● on the 12 month anniversary of the Restricted Share Grant Date; [NTD: If U.S. Participants will be allowed to elect a later settlement/payout date for their RSUs, and they will be given 30 days from Grant to make the election, the vesting date should be 13 months or longer following the date of grant, because the election can apply only to RSUs that will not vest until at least 12 months following the date the irrevocable election. See 6.15(d)Exhibit D – RSU Deferral Agreement.]
  - (ii) ● on the 18 month anniversary of the Restricted Share Grant Date; and
  - (iii) ● on the 24 month anniversary of the Restricted Share Grant Date (each a "Vesting Date").

Notwithstanding the foregoing, with respect to Restricted Share Units of U.S. Participants, if the Administrator, in its sole discretion, waives continued service and/or performance vesting conditions such that a Participant's Restricted Share Units are no longer subject to a substantial risk of forfeiture, the Vesting Date shall be the date on which all vesting conditions are waived or satisfied. Notwithstanding anything to the contrary in the Plan, with respect any Restricted Share Units to which an election under Option 2 of Schedule D (Restricted Share Unit Deferral Agreement) has been made (the "Election"), the Administrator shall not waive forfeiture conditions or accelerate the vesting of any such Restricted Share Units to any date that is earlier than the date that is twelve months following the date the Election was made.

- (d) As soon as reasonably practicable and no later than 60 days following the applicable Vesting Date, or, if the Participant is not a U.S. Participant (as defined in the Plan), such later date mutually agreed to by the Corporation and the Participant, the Participant shall be entitled to receive, and the Corporation shall issue or provide, a payout with respect to those Vested Restricted Share Units in the Participant's Account to which the Vesting Date relates (each a "Payout Date") as set forth below. Notwithstanding the foregoing, if a U.S. Participant has elected to defer payment/settlement of these RSUs by timely executing and providing to the Corporation a Restricted Share Unit Deferral Agreement, then the Payout Date will be the date(s) specified in the Restricted Share Unit Deferral Agreement:
- (i) a lump sum payment in cash equal to the number of vested Restricted Share Units recorded in the Participant's Account multiplied by the Market Value of a Common Share on the Payout Date; or
  - (ii) the number of Common Shares required to be issued to a Participant upon the vesting of such Participant's Restricted Share Units in the Participant's Account, duly issued as fully paid and non-assessable shares and such Participant shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares; or
  - (iii) any combination of the foregoing.
- subject to any applicable Withholding Obligations.
- (e) The Participant acknowledges that:
- (i) he or she has received and reviewed a copy of the Plan; and
  - (ii) the Restricted Share Units have been granted to the Participant under the Plan and are subject to all of the terms and conditions of the Plan to the same effect as if all of such terms and conditions were set forth in this Restricted Share Unit Agreement, including with respect to termination and forfeiture as set out in section 4.7 of the Plan.

Notwithstanding anything to the contrary in this Restricted Share Unit Agreement all vesting and issuances or payments, as applicable, in respect of a Restricted Share Unit evidenced hereby shall be completed no later than December 15 of the third calendar year commencing after the Restricted Share Grant Date;

The grant of the Restricted Share Units evidenced hereby is made subject to the terms and conditions of the Plan. The Participant agrees that he/she may suffer tax consequences as a result of the grant of these Restricted Share Units and the vesting of the Restricted Share Units. The Participant acknowledges that he/she is not relying on the Corporation for any tax advice and has had an adequate opportunity to obtain advice of independent tax counsel.

The Participant represents and warrants to the Corporation that (i) under the terms and conditions of the Plan the Participant is a bona fide Eligible Person (as defined in the Plan) entitled to receive Restricted Share Units, and (ii) either (A) the Participant is not in the United States or a U.S. Person, nor is the Participant acquiring the Restricted Share Units for the benefit of a person in the United States or a U.S. Person, or (B) an exemption from the registration requirements of the 1933 Act and all applicable state securities laws is

available and the Participant has provided evidence satisfactory to the Corporation to such effect. The Corporation may condition awards and elections under the Plan upon receiving from the undersigned such representations and warranties and such evidence of registration or exemption under the 1933 Act and all applicable U.S. state securities laws as is satisfactory to the Corporation, acting in its sole discretion.

In the event of any inconsistency between the terms of this Restricted Share Unit Agreement and the Plan, the terms of the Plan shall prevail unless otherwise determined in the Plan.

**WASKAHIGAN OIL & GAS CORP**

\_\_\_\_\_  
Authorized Signatory

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

\_\_\_\_\_  
Name of Participant

**EXHIBIT B**

THE OPTIONS AND THE OPTIONED SHARES HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR ANY U.S. STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS UNLESS SUCH SECURITIES ARE REGISTERED UNDER THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS ARE AVAILABLE. THE TERMS "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED IN REGULATIONS UNDER THE 1933 ACT.

[INSERT IF REQUIRED: WITHOUT PRIOR WRITTEN APPROVAL OF THE CANADIAN SECURITIES EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS AGREEMENT AND ANY SECURITIES ISSUED UPON EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE CANADIAN SECURITIES EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL \_\_\_\_\_, 20\_\_\_\_ [FOUR MONTHS AND ONE DAY AFTER THE DATE OF GRANT].

**OPTION AGREEMENT**

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Effective Date") Waskahigan Oil & Gas Corp (the "Corporation") has granted to \_\_\_\_\_ (the "Participant"), Options to acquire \_\_\_\_\_ Common Shares (the "Optioned Shares") up to 4:30 p.m. Pacific Time on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Option Expiry Date") at an exercise price of Cdn\$\_\_\_\_\_ per Optioned Share pursuant to the Corporation's Share Compensation Plan (the "Plan"), a copy of which is attached hereto.

For Options awarded to U.S. Participants, the Options granted hereunder: (check **one** line below)

\_\_\_\_\_ Are Incentive Stock Options

\_\_\_\_\_ Are Non-qualified Stock Options

Optioned Shares may be acquired as follows:

(a) [insert vesting provisions, if applicable]; and

(b) [insert hold period when required].

The grant of the Options evidenced hereby and the Option Expiry Date thereof, is made subject to the terms and conditions of the Plan. The Participant agrees that he/she may suffer tax consequences as a result of the grant of these Options, the exercise of the Options and the disposition of Optioned Shares. The Participant acknowledges that he/she is not relying on the Corporation for any tax advice and has had an adequate opportunity to obtain advice of independent tax counsel. If the Options awarded hereunder are Incentive Stock Options, in order to obtain certain U.S. federal tax benefits afforded to ISOs under section 422 of the code, the U.S. Participant must hold the Common Shares acquired upon exercise of the ISO until he later of for two years after the Grant Date and one year after the date of exercise. A U.S. Participant may be subject to the alternative minimum tax at the time of exercise of an ISO. A U.S. Participant will give the Corporation prompt notice of any disposition of Common Shares acquired by exercise of an ISO prior to the expiration of such holding periods.

The Participant represents and warrants that (i) under the terms and conditions of the Plan the Participant is a bona fide Eligible Person (as defined in the Plan) entitled to receive Options, and (ii) either (A) the Participant is not in the

United States or a U.S. Person, nor is the Participant acquiring the Options or any Optioned Shares for the benefit of a person in the United States or a U.S. Person, or (B) an exemption from the registration requirements of the 1933 Act and all applicable state securities laws is available and the Participant has provided evidence satisfactory to the Corporation to such effect. The Participant understands that the Options may not be exercised in the United States or by or on behalf of a U.S. Person unless the Options and the Option Shares have been registered under the 1933 Act or are exempt from registration thereunder. The Corporation may condition the exercise of the Options upon receiving from the Participant such representations and warranties and such evidence of registration or exemption under the 1933 Act and all applicable state securities laws as is satisfactory to the Corporation, acting in its sole discretion.

In the event of any inconsistency between the terms of this Option Agreement and the Plan, the terms of the Plan shall prevail.

**WASKAHIGAN OIL & GAS CORP**

\_\_\_\_\_  
Authorized Signatory

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

\_\_\_\_\_  
Name of Participant

**EXHIBIT C**  
**NOTICE OF OPTION EXERCISE**

TO: Waskahigan Oil & Gas Corp (the "Corporation")

FROM: \_\_\_\_\_

DATE: \_\_\_\_\_

The undersigned hereby irrevocably gives notice, pursuant to the Corporation's Share Compensation Plan (the "Plan"), of the exercise of the Options to acquire and hereby subscribes for:

[check one]

- (a) all of the Optioned Shares; or
- (b) \_\_\_\_\_ of the Optioned Shares,

which are the subject of the Option Agreement attached hereto.

Calculation of total Exercise Price:

- (i) number of Optioned Shares to be acquired on exercise \_\_\_\_\_ Optioned Shares
- (ii) multiplied by the Exercise Price per Optioned Share: \$ \_\_\_\_\_
- TOTAL EXERCISE PRICE, enclosed herewith (unless this is a cashless exercise): \$ \_\_\_\_\_

- A.  The undersigned (i) at the time of exercise of these Options is not in the "United States" or a "U.S. Person" (as such terms are defined in Regulation S under the United States Securities Act of 1933, as amended (the "1933 Act") and is not exercising these Options on behalf of a person in the United States or U.S. Person and (ii) did not execute or deliver this Notice of Option Exercise in the United States.
- B.  The undersigned has delivered an opinion of counsel of recognized standing or other evidence in form and substance satisfactory to the Corporation to the effect that an exemption from the registration requirements of the 1933 Act, and applicable state securities laws is available for the issuance of the Optioned Shares.

Note: The undersigned understands that unless Box A is checked, the certificates representing the Optioned Shares will bear a legend restricting transfer without registration under the 1933 Act and applicable state securities laws unless an exemption from registration is available.

Note: Certificates representing Optioned Shares will not be registered or delivered to an address in the United States unless Box B above is checked.

Note: If Box B is checked, any opinion or other evidence tendered must be in form and substance satisfactory to the Corporation. Holders planning to deliver an opinion of counsel or other evidence in connection with the exercise of Options should contact the Corporation in advance to determine whether any opinions to be tendered or other evidence will be acceptable to the Corporation.

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I hereby:

- (a) unless this is a cashless exercise, enclose a cheque payable to "Waskahigan Oil & Gas Corp" for the aggregate Exercise Price plus the amount of the estimated Withholding Obligations and agree that I will reimburse the Corporation for any amount by which the actual Withholding Obligations exceed the estimated Withholding Obligations; or
- (b) advise the Corporation that I am exercising the above Options on a cashless exercise basis, in compliance with the procedures established from time to time by the Administrators for cashless exercises of Options under the Plan. I will consult with the Corporation to determine what additional documentation, if any, is required in connection with my cashless exercise of the above Options. I agree to comply with the procedures established by the Corporation for cashless exercises and all terms and conditions of the Plan. Please prepare the Optioned Shares certificates, if any, issuable in connection with this exercise in the following name(s):

\_\_\_\_\_  
\_\_\_\_\_

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

\_\_\_\_\_  
Name of Participant

Letter and consideration/direction received on \_\_\_\_\_, 20 \_\_\_\_\_.

**WASKAHIGAN OIL & GAS CORP**

By: \_\_\_\_\_  
[Name]  
[Title]

**EXHIBIT D**  
**RESTRICTED SHARE UNIT DEFERRAL AGREEMENT**

TO: WASKAHIGAN OIL & GAS CORP (the "Corporation")

FROM: \_\_\_\_\_

DATE: \_\_\_\_\_

I, the undersigned participant, acknowledge that the Corporation may grant or has granted to me an award of Restricted Share Units under the Waskahigan Oil & Gas Corp Share Compensation Plan (the "Plan") that will vest according to the vesting schedule set out in the Restricted Share Unit Agreement.

I hereby irrevocably elect to defer the payout of vested Restricted Share Units as set forth below (select and complete either Option 1 or Option 2). By making this election, I understand and agree that my election may not be changed.

**Option 1: Deferral of Restricted Share Units Awarded in Next Calendar Year.**

I hereby elect to defer the payout of \_\_\_\_\_% of any Restricted Share Units awarded to me under the Plan in the next calendar year (for services performed in such next calendar year) until the date selected below:

- 1 year after each vesting date applicable to such Restricted Share Units.
- 2 years after each vesting date applicable to such Restricted Share Units.
- 3 years after each vesting date applicable to such Restricted Share Units.
- 4 years after each vesting date applicable to such Restricted Share Units.
- 5 years after each vesting date applicable to such Restricted Share Units.

If I complete Option 1, this Deferral Agreement must be delivered to the Corporation on or before December 31st of the year prior to the calendar year to which such deferral election applies.

**Option 2: Deferral of Restricted Share Units that Vest 12 Months or More After Date of Election.**

I was awarded Restricted Share Units pursuant to the Restricted Share Unit Award Agreement dated \_\_\_\_\_ (must be no earlier than 29 days prior to the date of this election). I hereby elect to defer the payout of \_\_\_\_\_% of the Restricted Share Units awarded to me under the Plan that vest 12 months or more after the date of this election was executed and delivered to the Corporation until the date selected below:

- 1 year after each vesting date applicable to such Restricted Share Units.
- 2 years after each vesting date applicable to such Restricted Share Units.
- 3 years after each vesting date applicable to such Restricted Share Units.
- 4 years after each vesting date applicable to such Restricted Share Units.
- 5 years after each vesting date applicable to such Restricted Share Units.

In the event of my death, any Restricted Share Units that have vested but are subject to the deferral election above shall be paid to the following beneficiary in accordance with the timing of such election:

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

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

Relationship: \_\_\_\_\_

I have read and understand the terms of the Plan and this Restricted Share Deferral Agreement. By signing this form, I hereby elect to defer the payout of the Restricted Share Units as set forth above to which I may become entitled to receive upon vesting of such Restricted Share Units.

**I UNDERSTAND THAT THE AMOUNT OF DEFERRAL, AND THE TIMING OF THE PAYMENT ELECTIONS I MAKE, MAY NOT BE ALTERED.** I also acknowledge that the Administrators of the Plan have complete discretion to administer and interpret the Plan. Notwithstanding the elections set forth above, I understand that the Administrators may, in their sole discretion, elect to terminate this deferral arrangement and accelerate the timing of the payment to me of my deferred Restricted Share Units to the extent that the Administrators determine it is permitted or required to do so under Section 409A of the Code. The deferral arrangement described in this form is intended to comply with Section 409A of the Code and shall be interpreted accordingly.

**WASKAHIGAN OIL & GAS CORP**

\_\_\_\_\_  
Authorized Signatory

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

\_\_\_\_\_  
Name of Participant

**APPENDIX “D”  
PROPOSED ARTICLES**

**BRITISH COLUMBIA BUSINESS CORPORATIONS ACT**

**ARTICLES OF**

**WASKAHIGAN OIL & GAS CORP.**

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BUSINESS CORPORATIONS ACT

ARTICLES OF

WASHAHIGAN OIL & GAS CORP.

(the "Company")

PART 1– INTERPRETATION

**1.1 Definitions**

Without limiting Article 1.2, in these Articles, unless the context requires otherwise:

- (a) "adjourned meeting" means the meeting to which a meeting is adjourned under Article 8.6 or 8.9;
- (b) "board" and "directors" mean the board of directors of the Company for the time being;
- (c) "*Business Corporations Act*" means the *Business Corporations Act*, S.B.C. 2002, c.57, and includes its regulations;
- (d) "Company" means "Waskahigan Oil & Gas Corp."
- (e) "*Interpretation Act*" means the *Interpretation Act*, R.S.B.C. 1996, c. 238; and
- (f) "trustee", in relation to a shareholder, means the personal or other legal representative of the shareholder, and includes a trustee in bankruptcy of the shareholder.

**1.2 Business Corporations Act definitions apply**

The definitions in the *Business Corporations Act* apply to these Articles.

**1.3 Interpretation Act applies**

The *Interpretation Act* applies to the interpretation of these Articles as if these Articles were an enactment.

**1.4 Conflict in definitions**

If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles.

**1.5 Conflict between Articles and legislation**

If there is a conflict between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

## **PART 2 – SHARES AND SHARE CERTIFICATES**

### **2.1 Form of share certificate**

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

### **2.2 Shareholder Entitled to Certificate or Acknowledgement**

Unless the shares are uncertificated shares, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgement of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate and delivery of a share certificate for a share to one of several joint shareholders or to one of the shareholders' duly authorized agents will be sufficient delivery to all.

### **2.3 Sending of share certificate**

Any share certificate to which a shareholder is entitled may be sent to the shareholder by mail and neither the Company nor any agent is liable for any loss to the shareholder because the certificate sent is lost in the mail or stolen.

### **2.4 Replacement of worn out or defaced certificate**

If the directors are satisfied that a share certificate is worn out or defaced, they must, on production to them of the certificate and on such other terms, if any, as they think fit:

- (a) order the certificate to be cancelled; and
- (b) issue a replacement share certificate.

### **2.5 Replacement of lost, stolen or destroyed certificate**

If a share certificate is lost, stolen or destroyed, a replacement share certificate must be issued to the person entitled to that certificate if the directors receive:

- (a) proof satisfactory to them that the certificate is lost, stolen or destroyed; and
- (b) any indemnity the directors consider adequate.

### **2.6 Splitting share certificates**

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two (2) or more certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the certificate so surrendered, the Company must cancel the surrendered certificate and issue replacement share certificates in accordance with that request.

### **2.7 Shares may be uncertificated**

Notwithstanding any other provisions of this Part, the directors may, by resolution, provide that:

- (a) the shares of any or all of the classes and series of the Company's shares may be uncertificated shares; or
- (b) any specified shares may be uncertificated shares.

## **PART 3 – ISSUE OF SHARES**

### **3.1 Directors authorized to issue shares**

The directors may, subject to the rights of the holders of the issued shares of the Company, issue, allot, sell, grant options on or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors and officers, in the manner, on the terms and conditions and for the issue prices that the directors, in their absolute discretion, may determine.

### **3.2 Company need not recognize unregistered interests**

Except as required by law or these Articles, the Company need not recognize or provide for any person's interests in or rights to a share unless that person is the shareholder of the share.

## **PART 4 – SHARE TRANSFERS**

### **4.1 Recording or registering transfer**

A transfer of shares of the Company must not be registered:

- (a) unless a duly signed instrument of transfer in respect of the shares has been received by the Company and the certificate (or acceptable documents pursuant to Article 2.5 hereof) representing the shares to be transferred has been surrendered and cancelled; or
- (b) if no certificate has been issued by the Company in respect of the shares, unless a duly signed instrument of transfer in respect of the shares has been received by the Company.

### **4.2 Form of instrument of transfer**

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the directors from time to time.

### **4.3 Signing of instrument of transfer**

If a shareholder, or its, his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer, or, if no number is specified, all the shares represented by share certificates deposited with the instrument of transfer:

- (a) in the name of the person named as transferee in that instrument of transfer; or
- (b) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the share certificate is deposited for the purpose of having the transfer registered.

### **4.4 Enquiry as to title not required**

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

#### **4.5 Transfer fee**

There must be paid to the Company, in relation to the registration of any transfer, the amount determined by the directors from time to time.

### **PART 5 – ACQUISITION OF SHARES**

#### **5.1 Company authorized to purchase shares**

Subject to the special rights and restrictions attached to any class or series of shares, the Company may, if it is authorized to do so by the directors, purchase or otherwise acquire any of its shares.

#### **5.2 Company authorized to accept surrender of shares**

The Company may, if it is authorized to do so by the directors, accept a surrender of any of its shares.

#### **5.3 Company authorized to convert fractional shares into whole shares**

The Company may, if it is authorized to do so by the directors, convert any of its fractional shares into whole shares in accordance with, and subject to the limitations contained in, the *Business Corporations Act*.

### **PART 6 – BORROWING POWERS**

#### **6.1 Powers of directors**

The directors may from time to time on behalf of the Company:

- (a) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;
- (b) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person, and at any discount or premium and on such other terms as they consider appropriate;
- (c) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (d) mortgage or charge, whether by way of specific or floating charge, or give other security on the whole or any part of the present and future assets and undertaking of the Company.

### **PART 7 – GENERAL MEETINGS**

#### **7.1 Annual general meetings**

Unless an annual general meeting is deferred or waived in accordance with section 182(2)(a) or (c) of the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual general meeting.

#### **7.2 When annual general meeting is deemed to have been held**

If all of the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed

under this Article 7.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

### **7.3 Calling of shareholder meetings**

The directors may, whenever they think fit, call a meeting of shareholders.

### **7.4 Notice for meetings of shareholders**

The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting and to each director, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (a) if and for so long as the Company is a public company, 21 days;
- (b) otherwise, 10 days.

### **7.5 Record date for notice**

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

- (a) if and for so long as the Company is a public company, 21 days;
- (b) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

### **7.6 Record date for voting**

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set as provided above, the record date for determining the shareholders entitled to vote at the meeting shall be 5:00 p.m. the day before the meeting.

### **7.7 Failure to give notice and waiver of notice**

The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

### **7.8 Notice of special business at meetings of shareholders**

If a meeting of shareholders is to consider special business within the meaning of Article 8.1, the notice of meeting must:

- (a) state the general nature of the special business; and

- (b) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
  - (i) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice, and
  - (ii) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

## **PART 8 – PROCEEDINGS AT MEETINGS OF SHAREHOLDERS**

### **Special business**

At a meeting of shareholders, the following business is special business:

- (a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting or the election or appointment of directors;
- (b) at an annual general meeting, all business is special business except for the following:
  - (i) business relating to the conduct of or voting at the meeting,
  - (ii) consideration of any financial statements of the Company presented to the meeting,
  - (iii) consideration of any reports of the directors or auditor,
  - (iv) the setting or changing of the number of directors,
  - (v) the election or appointment of directors,
  - (vi) the appointment of an auditor,
  - (vii) the setting of the remuneration of an auditor,
  - (viii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution, and
  - (ix) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

### **Special resolution**

The votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds of the votes cast on the resolution.

### **Quorum**

Subject to the special rights and restrictions attached to the shares of any affected class or series of shares, the quorum for the transaction of business at a meeting of shareholders is one or more persons, present in person or by proxy.

### **Other persons may attend**

The directors, the president, if any, the secretary, if any, and any lawyer or auditor for the Company are entitled to attend any meeting of shareholders, but if any of those shareholders do attend a

meeting of shareholders, that person is not to be counted in the quorum, and is not entitled to vote at the meeting, unless that person is a shareholder or proxy holder entitled to vote at the meeting.

#### **Requirement of quorum**

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote at the meeting is present at the commencement of the meeting.

#### **Lack of quorum**

If, within 1/2 hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (a) in the case of a general meeting convened by requisition of shareholders, the meeting is dissolved; and
- (b) in the case of any other meeting of shareholders, the shareholders entitled to vote at the meeting who are present, in person or by proxy, at the meeting may adjourn the meeting to a set time and place.

#### **Chair**

The following individual is entitled to preside as chair at a meeting of shareholders:

- (a) the chair of the board, if any;
- (b) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

#### **Alternate chair**

At any meeting of shareholders, the directors present must choose one of their number to be chair of the meeting if:

- (a) there is no chair of the board or president present within 15 minutes after the time set for holding the meeting;
- (b) the chair of the board and the president are unwilling to act as chair of the meeting; or
- (c) if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting. If, in any of the foregoing circumstances, all of the directors present decline to accept the position of chair or fail to choose one of their number to be chair of the meeting, or if no director is present, the shareholders present in person or by proxy must choose any person present at the meeting to chair the meeting.

#### **Adjournments**

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

### **Notice of adjourned meeting**

It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

### **Motion need not be seconded**

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

### **Manner of taking a poll**

Subject to Article 8.13, if a poll is duly demanded at a meeting of shareholders:

- (a) the poll must be taken:
  - (i) at the meeting, or within 7 days after the date of the meeting, as the chair of the meeting directs, and
  - (ii) in the manner, at the time and at the place that the chair of the meeting directs;
- (b) the result of the poll is deemed to be a resolution of, and passed at, the meeting at which the poll is demanded; and
- (c) the demand for the poll may be withdrawn.

### **Demand for a poll on adjournment**

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

### **Demand for a poll not to prevent continuation of meeting**

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

### **Poll not available in respect of election of chair**

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

### **Casting of votes on poll**

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

### **Chair must resolve dispute**

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the same, and his or her determination made in good faith is final and conclusive.

### **Chair has no second vote**

In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a casting or second vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

### **Declaration of result**

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting.

### **Meetings by telephone or other communications medium**

A shareholder or proxy holder who is entitled to participate in a meeting of shareholders may do so in person, or by telephone or other communications medium, if all shareholders and proxy holders participating in the meeting are able to communicate with each other; provided, however, that nothing in this Section shall obligate the Company to take any action or provide any facility to permit or facilitate the use of any communications medium at a meeting of shareholders. If one or more shareholders or proxy holders participate in a meeting of shareholders in a manner contemplated by this Article 8.20:

- (a) each such shareholder or proxy holder shall be deemed to be present at the meeting; and
- (b) the meeting shall be deemed to be held at the location specified in the notice of the meeting.

## **PART 9 – ALTERATIONS AND RESOLUTIONS**

### **9.1 Alteration of Authorized Share Structure**

Subject to Article 9.2 and the *Business Corporations Act*, the Company may by resolution of the directors:

- (a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
- (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
- (c) if the Company is authorized to issue shares of a class of shares with par value:
  - (i) decrease the par value of those shares,
  - (ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares,
  - (iii) subdivide all or any of its unissued or fully paid issued shares with par value into shares of smaller par value, or
  - (iv) consolidate all or any of its unissued or fully paid issued shares with par value into shares of larger par value;
- (d) subdivide or consolidate all or any of its unissued or fully paid issued shares without par value;
- (e) change all or any of its unissued or fully paid issued shares with par value into shares without par value or all or any of its unissued shares without par value into shares with par value;

- (f) alter the identifying name of any of its shares; or
- (g) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*.

## **9.2 Change of Name**

The Company may by resolution of the directors authorize an alteration to its Notice of Articles in order to change its name or adopt or change any translation of that name.

## **9.3 Other Alterations or Resolutions**

If the *Business Corporations Act* does not specify:

- (a) the type of resolution and these Articles do not specify another type of resolution, the Company may by resolution of the directors authorize any act of the Company, including without limitation, an alteration of these Articles; or
- (b) the type of shareholders' resolution and these Articles do not specify another type of shareholders' resolution, the Company may by ordinary resolution authorize any act of the Company.

## **PART 10 – VOTES OF SHAREHOLDERS**

### **10.1 Voting rights**

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint registered holders of shares under Article 10.3:

- (a) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote at the meeting has one vote; and
- (b) on a poll, every shareholder entitled to vote has one vote in respect of each share held by that shareholder that carries the right to vote on that poll and may exercise that vote either in person or by proxy.

### **10.2 Trustee of shareholder may vote**

A person who is not a shareholder may vote on a resolution at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting in relation to that resolution, if, before doing so, the person satisfies the chair of the meeting at which the resolution is to be considered, or satisfies all of the directors present at the meeting, that the person is a trustee for a shareholder who is entitled to vote on the resolution.

### **10.3 Votes by joint shareholders**

If there are joint shareholders registered in respect of any share:

- (a) any one of the joint shareholders, but not both or all, may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (b) if more than one of the joint shareholders is present at any meeting, personally or by proxy, the joint shareholder present whose name stands first on the central securities register in respect of the share is alone entitled to vote in respect of that share.

#### **10.4 Trustees as joint shareholders**

Two or more trustees of a shareholder in whose sole name any share is registered are, for the purposes of Article 10.3, deemed to be joint shareholders.

#### **10.5 Representative of a corporate shareholder**

If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (a) for that purpose, the instrument appointing a representative must
  - (i) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least two (2) business days before the day set for the holding of the meeting, or
  - (ii) unless the notice of the meeting provides otherwise, be provided, at the meeting, to the chair of the meeting; and
- (b) if a representative is appointed under this Article 10.5:
  - (i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder, and
  - (ii) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

#### **10.6 When proxy provisions do not apply**

Articles 10.7 to 10.13 do not apply to the Company if and for so long as it is a public company.

#### **10.7 Appointment of proxy holder**

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint a proxy holder to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

#### **10.8 Alternate proxy holders**

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

#### **10.9 When proxy holder need not be shareholder**

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (a) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 10.5;
- (b) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting; or

- (c) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting.

**10.10 Form of proxy**

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

(Name of Company)

The undersigned, being a shareholder of the above named Company, hereby appoints

..... or, failing that person, ....., as proxy

holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders to be held on the day of and at any adjournment of that meeting.

Signed this ..... day of ....., .....

.....

Signature of shareholder

**10.11 Provision of proxies**

A proxy for a meeting of shareholders must:

- (a) be received at the registered office of the Company or at any other place specified in the notice calling the meeting for the receipt of proxies, at least the number of business days specified in the notice or, if no number of days is specified, two (2) business days before the day set for the holding of the meeting; or
- (b) unless the notice of the meeting provides otherwise, be provided at the meeting to the chair of the meeting.

**10.12 Revocation of proxies**

Subject to Article 10.13, every proxy may be revoked by an instrument in writing that is:

- (a) received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or
- (b) provided at the meeting to the chair of the meeting.

**10.13 Revocation of proxies must be signed**

An instrument referred to in Article 10.12 must be signed as follows:

- (a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her trustee; or
- (b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 10.5.

#### **10.14 Validity of proxy votes**

A vote given in accordance with the terms of a proxy is valid despite the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (a) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or
- (b) by the chair of the meeting, before the vote is taken.

#### **10.15 Production of evidence of authority to vote**

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

#### **10.16 Chair May Determine Validity of Proxy**

Unless prohibited by applicable law, the chair of any meeting of shareholders may determine whether or not a proxy deposited for use at the meeting, which may not strictly comply with the requirements of this Article 10 as to form, execution, accompanying documentation, time of filing or otherwise, shall be valid for use at the meeting and any such determination made in good faith shall be final, conclusive and binding upon the meeting.

### **PART 11 – DIRECTORS**

#### **11.1 First directors; number of directors**

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 12.7, is set at:

- (a) subject to paragraphs (b) and (c), the number of directors that is equal to the number of the Company's first directors;
- (b) if the Company is a public company, the greater of three and the number most recently elected by ordinary resolution (whether or not previous notice of the resolution was given); and
- (c) if the Company is not a public company, the number most recently elected by ordinary resolution (whether or not previous notice of the resolution was given).

#### **11.2 Change in number of directors**

If the number of directors is set under Articles 11.1(b) or 11.1(c):

- (a) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;
- (b) if, contemporaneously with setting that number, the shareholders do not elect or appoint the directors needed to fill vacancies in the board of directors up to that number, then the directors may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

### **11.3 Directors' acts valid despite vacancy**

An act or proceeding of the directors is not invalid merely because fewer directors have been appointed or elected than the number of directors set or otherwise required under these Articles.

### **11.4 Qualifications of directors**

A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

### **11.5 Remuneration of directors**

The directors are entitled to the remuneration, if any, for acting as directors as the directors may from time to time determine. If the directors so decide, the remuneration of the directors will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to a director in such director's capacity as an officer or employee of the Company.

### **11.6 Reimbursement of expenses of directors**

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

### **11.7 Special remuneration for directors**

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

### **11.8 Gratuity, pension or allowance on retirement of director**

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

## **PART 12 – ELECTION AND REMOVAL OF DIRECTORS**

### **12.1 Election at annual general meeting**

At every annual general meeting and in every unanimous resolution contemplated by Article 7.2:

- (a) the shareholders entitled to vote at the annual general meeting for the election of directors may elect, or in the unanimous resolution appoint, a board of directors consisting of up to the number of directors for the time being set under these Articles; and
- (b) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (a), but are eligible for re-election or re-appointment.

### **12.2 Consent to be a director**

No election, appointment or designation of an individual as a director is valid unless:

- (a) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;

- (b) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (c) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

### **12.3 Failure to elect or appoint directors**

If:

- (a) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 7.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or
- (b) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 7.2, to elect or appoint any directors;

then each director in office at such time continues to hold office until the earlier of:

- (c) the date on which his or her successor is elected or appointed; and
- (d) the date on which he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

### **12.4 Directors may fill casual vacancies**

Any casual vacancy occurring in the board of directors may be filled by the remaining directors.

### **12.5 Remaining directors' power to act**

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or for the purpose of summoning a meeting of shareholders to fill any vacancies on the board of directors or for any other purpose permitted by the *Business Corporations Act*.

### **12.6 Shareholders may fill vacancies**

~~If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, and the directors have not filled the vacancies pursuant to Article~~

12.5 above, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

### **12.7 Additional directors**

Notwithstanding Articles 11.1 and 11.2, between annual general meetings or unanimous resolutions contemplated by Article 7.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 12.7 must not at any time exceed:

- (a) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (b) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 12.7.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 12.1(a), but is eligible for re-election or re-appointment.

#### **12.8 Ceasing to be a director**

A director ceases to be a director when:

- (a) the term of office of the director expires;
- (b) the director dies;
- (c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (d) the director is removed from office pursuant to Articles 12.9 or 12.10.

#### **12.9 Removal of director by shareholders**

The Shareholders may, by special resolution, remove any director before the expiration of his or her term of office, and may, by ordinary resolution, elect or appoint a director to fill the resulting vacancy. If the shareholders do not contemporaneously elect or appoint a director to fill the vacancy created by the removal of a director, then the directors may appoint, or the shareholders may elect or appoint by ordinary resolution, a director to fill that vacancy.

#### **12.10 Removal of director by directors**

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

#### **12.11 Nominations of directors**

- (a) Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company.
- (b) Nominations of persons for election to the board may be made at any annual meeting of shareholders or at any special meeting of shareholders (if one of the purposes for which the special meeting was called was the election of directors):
  - (i) by or at the direction of the board, including pursuant to a notice of meeting,
  - (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act*, or a requisition of the shareholders made in accordance with the provisions of the *Business Corporations Act*, or
  - (iii) by any person (a “Nominating Shareholder”): (A) who, at the close of business on the date of the giving of the notice provided for below in this Article 12.11 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Article 12.11.
- (c) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof

(as provided for in Article 12.11(d)) in proper written form to the secretary of the Company at the principal executive offices of the Company.

- (d) To be timely, a Nominating Shareholder's notice to the secretary of the Company must be given:
  - (i) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "Notice Date") on which the first public announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be given not later than the close of business on the tenth (10th) day after the Notice Date in respect of such meeting; and
  - (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.

- (e) To be in proper written form, a Nominating Shareholder's notice to the secretary of the Company must set forth:
  - (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person during the past five years; (C) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; (D) a statement as to whether such person would be "independent" of the Company (as such term is defined under Applicable Securities Laws (as defined below)) if elected as a director at such meeting and the reasons and basis for such determination; (E) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such Nominating Shareholder and beneficial owner, if any, and their respective affiliates and associates, or others acting jointly or in concert therewith, on the one hand, and such nominee, and his or her respective associates, or others acting jointly or in concert therewith, on the other hand; and (F) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below); and
  - (ii) as to the Nominating Shareholder giving the notice: (A) any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company; (B) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of the record by the Nominating Shareholder as of the record

date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and (C) any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below).

- (f) The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.
- (g) The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the provisions set forth in this Article 12.11 and, if any proposed nomination is not in compliance with such provisions, to declare that such defective nomination shall be disregarded.
- (h) For purposes of this Article 12.11:
  - (i) **"Affiliate"**, when used to indicate a relationship with a person, means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified person;
  - (ii) **"Applicable Securities Laws"** means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada;
  - (iii) **"Associate"**, when used to indicate a relationship with a specified person, means:
    - A. any corporation or trust of which such person beneficially owns, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such corporation or trust for the time being outstanding,
    - B. any partner of that person,
    - C. any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity,
    - D. a spouse of such specified person,
    - E. any person of either sex with whom such specified person is living in a conjugal relationship outside marriage, or
    - F. any relative of such specified person or of a person mentioned in clauses D or E of this definition if that relative has the same residence as the specified person;
  - (iv) **"Derivatives Contract"** means a contract between two parties (the **"Receiving Party"** and the **"Counterparty"**) that is designed to expose the Receiving Party to economic benefits and risks that correspond substantially to the ownership by the Receiving Party of a number of shares in the capital of the Company or securities convertible

into such shares specified or referenced in such contract (the number corresponding to such economic benefits and risks, the “**Notional Securities**”), regardless of whether obligations under such contract are required or permitted to be settled through the delivery of cash, shares in the capital of the Company or securities convertible into such shares or other property, without regard to any short position under the same or any other Derivatives Contract. For the avoidance of doubt, interests in broad-based index options, broad-based index futures and broad-based publicly traded market baskets of stocks approved for trading by the appropriate governmental authority shall not be deemed to be Derivatives Contracts;

- (v) “**owned beneficially**” or “**owns beneficially**” means, in connection with the ownership of shares in the capital of the Company by a person:
- A. any such shares as to which such person or any of such person’s Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing,
  - B. any such shares as to which such person or any of such person’s Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing,
  - C. any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty’s Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person’s Affiliates or Associates is a Receiving Party; provided, however, that the number of shares that a person owns beneficially pursuant to this clause in connection with a particular Derivatives Contract shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty’s Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty’s Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive Counterparties as appropriate, and
  - D. any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Company or any of its securities, and
- (vi) “**public announcement**” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at [sedarplus.ca](http://sedarplus.ca).

- (i) Notwithstanding any other provision of this Article 12.11, notice given to the secretary of the Company pursuant to this Article 12.11 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the secretary of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid, provided that receipt of confirmation of such transmission has been received) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
- (j) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Article 12.11.

## **PART 13 – PROCEEDINGS OF DIRECTORS**

### **13.1 Meetings of directors**

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the board held at regular intervals may be held at the place and at the time that the board may by resolution from time to time determine.

### **13.2 Chair of meetings**

Meetings of directors are to be chaired by:

- (a) the chair of the board, if any;
- (b) in the absence of the chair of the board, the president, if any, if the president is a director; or
- (c) any other director chosen by the directors if:
  - (i) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting,
  - (ii) neither the chair of the board nor the president, if a director, is willing to chair the meeting, or
  - (iii) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

### **13.3 Voting at meetings**

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

### **13.4 Meetings by telephone or other communications medium**

A director may participate in a meeting of the directors or of any committee of the directors in person, or by telephone or other communications medium, if all directors participating in the meeting are able to communicate with each other. A director who participates in a meeting in a manner contemplated by this Article 13.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

### **13.5 Who may call extraordinary meetings**

A director may call a meeting of the board at any time. The secretary, if any, must on request of a director, call a meeting of the board.

### **13.6 Notice of extraordinary meetings**

Subject to Articles 13.7 and 13.8, if a meeting of the board is called under Article 13.5, reasonable notice of that meeting, specifying the place, date and time of that meeting, must be given to each of the directors:

- (a) by mail addressed to the director's address as it appears on the books of the Company or to any other address provided to the Company by the director for this purpose;
- (b) by leaving it at the director's prescribed address or at any other address provided to the Company by the director for this purpose; or
- (c) orally, by delivery of written notice or by telephone, voice mail, e-mail, fax or any other method of legibly transmitting messages.

### **13.7 When notice not required**

It is not necessary to give notice of a meeting of the directors to a director if:

- (a) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed or is the meeting of the directors at which that director is appointed;
- (b) the director has filed a waiver under Article 13.9; or
- (c) the director attends such meeting.

### **13.8 Meeting valid despite failure to give notice**

The accidental omission to give notice of any meeting of directors to any director, or the non-receipt of any notice by any director, does not invalidate any proceedings at that meeting.

### **13.9 Waiver of notice of meetings**

Any director may file with the Company a notice waiving notice of any past, present or future meeting of the directors and may at any time withdraw that waiver with respect to meetings of the directors held after that withdrawal.

### **13.10 Effect of waiver**

After a director files a waiver under Article 13.9 with respect to future meetings of the directors, and until that waiver is withdrawn, notice of any meeting of the directors need not be given to that director unless the director otherwise requires in writing to the Company.

### **13.11 Quorum**

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is a majority of the directors.

### **13.12 If only one director**

If, in accordance with Article 11.1, the number of directors is one, the quorum necessary for the transaction of the business of the directors is one director, and that director may constitute a meeting.

## **PART 14 – COMMITTEES OF DIRECTORS**

### **14.1 Appointment of committees**

The directors may, by resolution:

- (a) appoint one or more committees consisting of the director or directors that they consider appropriate;
- (b) delegate to a committee appointed under paragraph (a) any of the directors' powers, except:
  - (i) the power to fill vacancies in the board,
  - (ii) the power to change the membership of, or fill vacancies in, any committee of the board, and
  - (iii) the power to appoint or remove officers appointed by the board; and
- (c) make any delegation referred to in paragraph (b) subject to the conditions set out in the resolution.

### **14.2 Obligations of committee**

Any committee formed under Article 14.1, in the exercise of the powers delegated to it, must:

- (a) conform to any rules that may from time to time be imposed on it by the directors; and
- (b) report every act or thing done in exercise of those powers to the earliest meeting of the directors to be held after the act or thing has been done.

### **14.3 Powers of board**

The board may, at any time:

- (a) revoke the authority given to a committee, or override a decision made by a committee, except as to acts done before such revocation or overriding;
- (b) terminate the appointment of, or change the membership of, a committee; and
- (c) fill vacancies in a committee.

### **14.4 Committee meetings**

Subject to Article 14.2(a):

- (a) the members of a directors' committee may meet and adjourn as they think proper;
- (b) a directors' committee may elect a chair of its meetings but, if no chair of the meeting is elected, or if at any meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (c) a majority of the members of a directors' committee constitutes a quorum of the committee; and
- (d) questions arising at any meeting of a directors' committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting has no second or casting vote.

## PART 15 – OFFICERS

### 15.1 Appointment of officers

The board may, from time to time, appoint a president, secretary or any other officers that it considers necessary or desirable, and none of the individuals appointed as officers need be a member of the board.

### 15.2 Functions, duties and powers of officers

The board may, for each officer:

- (a) determine the functions and duties the officer is to perform;
- (b) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (c) from time to time revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

### 15.3 Remuneration

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the board thinks fit and are subject to termination at the pleasure of the board.

## PART 16 – CERTAIN PERMITTED ACTIVITIES OF DIRECTORS

### 16.1 Other office of director

A director may hold any office or place of profit with the Company (other than the office of auditor of the Company) in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

### 16.2 No disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise.

### 16.3 Professional services by director or officer

Subject to compliance with the provisions of the *Business Corporations Act*, a director or officer of the Company, or any corporation or firm in which that individual has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such corporation or firm is entitled to remuneration for professional services as if that individual were not a director or officer.

### 16.4 Remuneration and benefits received from certain entities

A director or officer may be or become a director, officer or employee of, or may otherwise be or become interested in, any corporation, firm or entity in which the Company may be interested as a shareholder or otherwise, and, subject to compliance with the provisions of the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other corporation, firm or entity.

## **PART 17 – INDEMNIFICATION**

### **17.1 Indemnification of directors**

The directors must cause the Company to indemnify its directors and former directors, and their respective heirs and personal or other legal representatives to the greatest extent permitted by Division 5 of Part 5 of the *Business Corporations Act*.

### **17.2 Deemed contract**

Each director is deemed to have contracted with the Company on the terms of the indemnity referred to in Article 17.1.

## **PART 18 – AUDITOR**

### **18.1 Remuneration of an auditor**

The directors may set the remuneration of the auditor of the Company without the prior approval of the shareholders.

### **18.2 Waiver of appointment of an auditor**

The Company shall not be required to appoint an auditor if all of the shareholders of the Company, whether or not their shares otherwise carry the right to vote, resolve by a unanimous resolution to waive the appointment of an auditor. Such waiver may be given before, on or after the date on which an auditor is required to be appointed under the *Business Corporations Act*, and is effective for one financial year only.

## **PART 19 – DIVIDENDS**

### **19.1 Declaration of dividends**

Subject to the rights, if any, of shareholders holding shares with special rights as to dividends, the directors may from time to time declare and authorize payment of any dividends the directors consider appropriate.

### **19.2 No notice required**

The directors need not give notice to any shareholder of any declaration under Article 19.1.

### **19.3 Directors may determine when dividend payable**

Any dividend declared by the directors may be made payable on such date as is fixed by the directors.

### **19.4 Dividends to be paid in accordance with number of shares**

Subject to the rights of shareholders, if any, holding shares with special rights as to dividends, all dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

### **19.5 Manner of paying dividend**

A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of paid up shares or fractional shares, bonds, debentures or other debt obligations of the Company, or in any one or more of those ways, and, if any difficulty arises in regard to the distribution, the directors may settle the difficulty as they consider expedient, and, in particular, may set the value for distribution of specific assets.

**19.6 Dividend bears no interest**

No dividend bears interest against the Company.

**19.7 Fractional dividends**

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

**19.8 Payment of dividends**

Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed:

- (a) subject to paragraphs (b) and (c), to the address of the shareholder;
- (b) subject to paragraph (c), in the case of joint shareholders, to the address of the joint shareholder whose name stands first on the central securities register in respect of the shares; or
- (c) to the person and to the address as the shareholder or joint shareholders may direct in writing.

**19.9 Receipt by joint shareholders**

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

**PART 20 – ACCOUNTING RECORDS**

**20.1 Recording of financial affairs**

The board must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the provisions of the *Business Corporations Act*.

**PART 21 – EXECUTION OF INSTRUMENTS**

**21.1 Who may attest seal**

The Company's seal, if any, must not be impressed on any record except when that impression is attested by the signature or signatures of:

- (a) any two (2) directors;
- (b) any officer, together with any director;
- (c) if the Company has only one director, that director; or
- (d) any one or more directors or officers or persons as may be determined by resolution of the directors.

**21.2 Sealing copies**

For the purpose of certifying under seal a true copy of any resolution or other document, the seal must be impressed on that copy and, despite Article 21.1, may be attested by the signature of any director or officer.

### **21.3 Execution of documents not under seal**

Any instrument, document or agreement for which the seal need not be affixed may be executed for and on behalf of and in the name of the Company by any one director or officer of the Company, or by any other person appointed by the directors for such purpose.

## **PART 22 – NOTICES**

### **22.1 Method of giving notice**

Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (a) mail addressed to the person at the applicable address for that person as follows:
  - (i) for a record mailed to a shareholder, the shareholder's registered address,
  - (ii) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class, or
  - (iii) in any other case, the mailing address of the intended recipient;
- (b) delivery at the applicable address for that person as follows, addressed to the person:
  - (i) for a record delivered to a shareholder, the shareholder's registered address,
  - (ii) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class,
  - (iii) in any other case, the delivery address of the intended recipient;
- (c) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (d) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
- (e) physical delivery to the intended recipient; or
- (f) such other manner of delivery as is permitted by applicable legislation governing electronic delivery.

### **22.2 Deemed receipt of mailing**

A record that is mailed to a person by ordinary mail to the applicable address for that person referred to in Article 22.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing.

### **22.3 Certificate of sending**

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that behalf for the Company stating that a notice, statement, report or other record was addressed as required by Article 22.1, prepaid and mailed or otherwise sent as permitted by Article 22.1 is conclusive evidence of that fact.

**22.4 Notice to joint shareholders**

A notice, statement, report or other record may be provided by the Company to the joint registered shareholders of a share by providing the notice to the joint registered shareholder first named in the central securities register in respect of the share.

**22.5 Notice to trustees**

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (a) mailing the record, addressed to them:
  - (i) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description, and
  - (ii) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (b) if an address referred to in Article 22.5(a)(ii) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

**PART 23 – RESTRICTION ON SHARE TRANSFER**

**23.1 Application**

Article 23.2 does not apply to the Company if and for so long as it is a public company.

**23.2 Consent required for transfer**

No shares may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

**PART 24 - SPECIAL RIGHTS AND RESTRICTIONS**

**24.1 Preferred shares issuable in series**

The Preferred shares may include one or more series and, subject to the *Business Corporations Act*, the directors may, by resolution, if none of the shares of that particular series are issued, alter the Articles of the Company and authorize the alteration of the Notice of Articles of the Company, as the case may be, to do one or more of the following:

- (a) create a series of shares;
- (b) create an identifying name for the shares of that series, or alter any such identifying name;
- (c) determine the maximum number of shares of that series that the Company is authorized to issue, determine that there is no such maximum number, or alter any such determination; and
- (d) attach special rights or restrictions to the shares of that series, or alter any such special rights or restrictions.

Full Name and Signature of Director	Date of Signing
_____ Greg Leia	_____, 2026

## APPENDIX "E"

### ***BUSINESS CORPORATIONS ACT (ALBERTA) PROVISIONS***

#### **Shareholder's right to dissent**

- 191(1)** Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to
- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,
  - (b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,
  - (b.1) amend its articles under section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in section 15.2(1),
  - (c) amalgamate with another corporation, otherwise than under section 184 or 187,
  - (d) be continued under the laws of another jurisdiction under section 189, or
  - (e) sell, lease or exchange all or substantially all its property under section 190.
- (2)** A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.
- (3)** In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.
- (4)** A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.
- (5)** A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)
- (a) at or before any meeting of shareholders at which the resolution is to be voted on, or
  - (b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder's right to dissent.
- (6)** An application may be made to the Court after the adoption of a resolution referred to in subsection (1) or (2),
- (a) by the corporation, or
  - (b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5),

to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.

- (7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.
- (a) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or
- (b) within 10 days after the corporation is served with a copy of the application, if a shareholder is the applicant.
- (8) Every offer made under subsection (7) shall
- (a) be made on the same terms, and
- (b) contain or be accompanied with a statement showing how the fair value was determined.
- (9) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.
- (10) A dissenting shareholder
- (a) is not required to give security for costs in respect of an application under subsection (6), and
- (b) except in special circumstances must not be required to pay the costs of the application or appraisal.
- (11) In connection with an application under subsection (6), the Court may give directions for
- (a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,
- (b) the trial of issues and interlocutory matters, including pleadings and questioning under Part 5 of the *Alberta Rules of Court*,
- (c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,
- (d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,
- (e) the appointment and payment of independent appraisers, and the procedures to be followed by them,
- (f) the service of documents, and
- (g) the burden of proof on the parties.
- (12) On an application under subsection (6), the Court shall make an order
- (a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,
- (b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders,
- (c) fixing the time within which the corporation must pay that amount to a shareholder, and
- (d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.
- (13) On
- (a) the action approved by the resolution from which the shareholder dissents becoming effective,
- (b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or
- (c) the pronouncement of an order under subsection (13),

whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.

- (14) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).
- (15) Until one of the events mentioned in subsection (14) occurs,  
(a) the shareholder may withdraw the shareholder's dissent, or  
(b) the corporation may rescind the resolution,  
and in either event proceedings under this section shall be discontinued.
- (16) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.
- (17) If subsection (20) applies, the corporation shall, within 10 days after  
(a) the pronouncement of an order under subsection (13), or  
(b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares, notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.
- (18) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.
- (19) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that  
(a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or  
(b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.

## APPENDIX "F"

### CORPORATE GOVERNANCE POLICY

#### CORPORATE GOVERNANCE DISCLOSURE (FORM 58-101F2)

1. **Board of Directors** — Disclose how the board of directors (the board) facilitates its exercise of independent supervision over management, including

- (i) the identity of directors that are independent

*Gerald Roe*

- (ii) the identity of directors who are not independent, and the basis for that determination.

*Gregory J. Leia and Tracy Zimmerman*

*In determining whether a director is independent, the Corporation chiefly considers whether the director has a relationship which could, or could be perceived to interfere with the director's exercise of independent judgement.*

*Gregory J. Leia is an executive officer of the Corporation and is therefore not considered to be independent. Tracy Zimmerman is the interim CFO and is not considered independent.*

2. **Directorships** — If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

*None of the directors of the Corporation are directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction except for the following:*

*Gerald Roe was a director of GasFrac Energy Services Inc. from May 10, 2006 to June 2014 and a director of Boxxer Gold Corp since October 2003. [add Wilton]*

3. **Orientation and Continuing Education** — Describe what steps, if any, the board takes to orient new board members, and describe any measures the board takes to provide continuing education for directors.

*The Corporation has not developed an official orientation or training program for new directors as required, new directors will have the opportunity to become familiar with the Corporation by meeting with other directors and its officers and employees. Orientation activities will be tailored to the particular needs and expertise of each director and the overall needs of the Board.*

4. **Ethical Business Conduct** — Describe what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.

*The Corporation does not currently have a formal code of business conduct or policy in place for its directors, officers, employees and consultants. The Board believes that the Corporation's size facilitates informal review of and discussions with employees and consultants. The Board monitors ethical conduct of the Corporation and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.*

5. **Nomination of Directors** — Disclose what steps, if any, are taken to identify new candidates for board nomination, including:

- (i) who identifies new candidates, and
- (ii) the process of identifying new candidates.

*The Board has not appointed a nominating committee as the Board fulfills these functions. When the Board identifies the need to fill a position on the Board, the Board requests that current Directors forward potential candidates for consideration.*

6. **Compensation** — Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including:

- (i) who determines compensation, and

*Management of the Corporation is responsible for making recommendations to the Board with respect to compensation for the directors and the CEO. The Board has the ability to adjust and approve such compensation.*

- (ii) the process of determining compensation.

*Market comparisons as well as evaluation of similar positions in different industries in the same geography are the criteria used in determining compensation.*

7. **Other Board Committees** — If the board has standing committees other than the audit and compensation identify the committees and describe their function.

*There are no other standing committees.*

8. **Assessments** — Disclose what steps, if any, that the board takes to satisfy itself that the board, its committees, and its individual directors are performing effectively.

*The Board takes responsibility for monitoring and assessing its effectiveness and the performance of individual directors, its committees, including reviewing the Board's decision making processes and the quality of information provided by management.*

## APPENDIX "G"

### AUDIT COMMITTEE CHARTER

#### WASKAHIGAN OIL & GAS CORP (the "Company")

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company's audit committee (the "**Audit Committee**"), or its Board of Directors (the "**Board**") in lieu thereof. 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.

#### Composition

Number of Members. The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.

Chair. If there is more than one member of the 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.

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.

#### Meetings

Quorum. The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.

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.

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 the Auditor's duties.

Minutes. Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

## **Roles and Responsibilities**

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

### External Auditor

The Audit Committee will:

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.

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.

Compensation. Recommend to the Board the compensation to be paid to the external auditors.

Replacement of Auditor. If necessary, recommend the replacement of the Auditor to the Board of Directors.

Approve Non-Audit Related Services. Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.

Direct Responsibility for Overseeing Work of Auditors. Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.

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:

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.

Review of Interim Financial Statements. Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.

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.

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:

*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.

*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.

*Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.

*Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.

*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

*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.

*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.

## **Authority**

*Auditor.* The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.

*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.

## **Reporting**

The Audit Committee will report to the Board on:

the Auditor's independence;

the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;

the reappointment and termination of the Auditor;

the adequacy of the Company's internal controls and disclosure controls;

the Audit Committee's review of the annual and interim consolidated financial statements;

the Audit Committee's review of the annual and interim management discussion and analysis;

the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and

all other material matters dealt with by the Audit Committee.