

**AMPD VENTURES INC.**

**MANAGEMENT PROXY CIRCULAR**

**As at and dated October 20, 2020 (except as otherwise indicated)**

**FOR**

**THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON THURSDAY, NOVEMBER 26, 2020**

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**SOLICITATION OF PROXIES**

This Management Proxy Circular (the “Management Proxy Circular” or “Information Circular”) is furnished in connection with the solicitation of proxies being made by the management of AMPD Ventures Inc. (the “Company”) for use at the Annual General and Special Meeting of the Company’s shareholders to be held on November 26, 2020 (the “Meeting”) at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone or other means of communication by directors, officers and employees of the Company.

All costs of this solicitation will be borne by the Company.

**ACCESSING THE AGM VIA BROADCASTING/TELEPHONE CONFERENCE**

**Note:** The Board of Directors and Management request all shareholders vote by proxy and not attend the meeting in person. The webinar link and conference dial-in number will enable shareholders to attend a virtual webinar or a voice-only conference call. Registered shareholders participating via teleconference or Zoom are not eligible to vote their shares at the Meeting.

Please access the virtual AGM presentation using the following options:

**OPTION 1: Using your Internet browser**

Click this link to join the Zoom webinar directly via your browser:

<https://zoom.us/j/98259155125?pwd=OVJISFEyQW9nMTFEYkQ4ZWsrRzlTQT09>

This allows participants to bypass the Zoom application download process and join a meeting directly from their browser. This is a workaround for participants who are unable to download, install, or run applications. Note that the meeting experience from the browser is limited.

**OPTION 2: Using your Zoom application**

Visit <http://www.zoom.com> or access the Zoom application on your computer or smartphone

1. Click ‘Join a Meeting’ (Browser) or ‘Join’ (Mobile or Desktop Application)
2. Enter Webinar ID 982 5915 5125 into the Meeting ID box
3. Enter your name
4. Click ‘Join’
5. Enter the password: 2020

**OPTION 3: Dial in to the AGM (audio only):**

Dial (for higher quality, dial a number based on your current location):

**Canada:** +1 778 907 2071 or +1 204 272 7920 or +1 438 809 7799 or +1 587 328 1099 or +1 647 374 4685 or +1 647 558 0588

**US:** +1 669 900 9128 or +1 253 215 8782 or +1 301 715 8592 or +1 312 626 6799 or +1 346 248 7799 or +1 646 558 8656

**Germany:** +49 69 7104 9922 or +49 30 5679 5800 or +49 69 3807 9883 or +49 695 050 2596

**Webinar ID:** 982 5915 5125 #

**Participant ID:** Not required (just press #)

**Passcode:** 2020 #

International numbers available: <https://zoom.us/j/98259155125>

It is the shareholders responsibility to ensure connectivity during the meeting and the Company encourages its shareholders to allow sufficient time to log in to the Meeting before it begins.

### **PROXY INSTRUCTIONS**

Shareholders who cannot attend the Meeting in person may vote by proxy if a registered shareholder either by mail, by phone or over the internet, as described on the form of Proxy. Proxies must be received by the Company's transfer agent, Olympia Trust Company ("Olympia"), PO Box 128, STN M, Calgary, AB T2P 2H6 Attention: Proxy Department or by facsimile to 1-403- 668-8307 or by internet using the 12 digit control number located at the bottom of your proxy at <https://css.olympiatrust.com/pxlogin> . Your proxy or voting instructions must be received no later than 10:00 a.m. (Pacific time) on November 24, 2020 (or such other date that is two business days immediately preceding the date of the Meeting as it may be adjourned or postponed from time to time).

A Proxy returned to Olympia will not be valid unless dated and signed by the shareholder or by the shareholder's attorney duly authorized in writing or, if the shareholder is a corporation or association, the form of Proxy must be executed by an officer or by an attorney duly authorized in writing. If the form of Proxy is executed by an attorney for an individual shareholder or by an attorney of a shareholder that is a corporation or association, the instrument so empowering the attorney, as the case may be, or a notarial copy thereof, must accompany the form of Proxy. If not dated, the Proxy will be deemed to have been dated the date that it is mailed to shareholders.

The securities represented by Proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on such Proxy on any ballot that may be called for and, if the shareholder specifies a choice with respect to any matter to be acted upon, the securities will be voted accordingly. The form of Proxy confers discretionary authority upon the named proxyholder with respect to matters identified in the accompanying Notice of Meeting. If a choice with respect to such matters is not specified, it is intended that the person designated by management in the form of Proxy will vote the securities represented by the Proxy **in favour of** each matter identified in the proxy and for the directors and auditor named in the proxy or designated by management.

The Proxy confers discretionary authority upon the named proxyholder with respect to amendments to or variations in matters identified in the accompanying Notice of Meeting and other matters which may properly come before the Meeting. As at the date of this Management Proxy Circular, management is not aware of any amendments, variations, or other matters. If such should occur, the persons designated by management will vote thereon in accordance with their best judgment, exercising discretionary authority.

### **APPOINTMENT OF PROXYHOLDER**

**A shareholder has the right to designate a person (who need not be a shareholder of the Company), other than Ravinder Kang and Anthony Brown, both directors and/or officers of the Company and the management designees, to attend and act for the shareholder at the Meeting. If you are returning your Proxy to Olympia, such right may be exercised by inserting in the blank space provided in the enclosed form of Proxy the name of the person to be designated or by completing another proper form of Proxy and delivering it to Computershare as provided above.**

### **REVOCATION OF PROXIES**

In addition to revocation in any manner permitted by law, you may revoke your Proxy by an instrument in writing signed by you as registered shareholder or by your attorney duly authorized in writing. If you are a representative of a registered shareholder that is a corporation or association, the instrument in writing must be executed by an officer or by an attorney duly authorized in writing. The revocation must be deposited with the Company's registered office, c/o Fasken Martineau DuMoulin LLP, Attention: Geoff Pedlow, Suite 2900, 550 Burrard Street, Vancouver, British Columbia, V6C 0A3 at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, or, as to any matter in respect of which a vote shall not already have been cast pursuant to such Proxy, with the Chairman of the Meeting on the day of the Meeting, or at any adjournment thereof, and upon either of such deposits the Proxy is revoked. In addition, shareholders can also change their vote by phone or via the internet pursuant to the instructions provided to the registered shareholder.

Only registered shareholders have the right to revoke a Proxy. Non-registered shareholders that wish to change their voting instructions must, in sufficient time in advance of the Meeting, contact Olympia or their intermediary to arrange to change their voting instructions.

### **ADVICE TO BENEFICIAL HOLDERS OF SECURITIES**

**The information set forth in this section is of significant importance to many Shareholders of the Company as some Shareholders do not hold their Common Shares in their own names ("Beneficial Shareholders").** Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Beneficial Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Beneficial Shareholder's broker or an agent of that broker. In Canada, the majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominees for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting shares for their clients. The Company does not know for whose benefit the Common Shares registered in the name of CDS & Co. are held. Therefore, Beneficial Shareholders cannot be recognized at the Meeting for the purposes of voting the Common Shares in person or by way of proxy except as set forth below. Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate persons.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of meetings of Shareholders. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker often is identical to the Proxy Form provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically provides a scannable voting request form or applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the voting request forms or proxy forms to Broadridge. Alternatively, Beneficial Shareholders sometimes are provided with a toll-free telephone number to vote their shares. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at a meeting of shareholders. A Beneficial Shareholder receiving a voting instruction or proxy from Broadridge or another agent cannot use that proxy to vote Common Shares directly at the Meeting as the completed instruction or proxy must be returned as directed by Broadridge or another agent well in advance of the Meeting in order to have the Common Shares voted.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of the Beneficial Shareholder's broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote Common Shares in

that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank spaces on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent) well in advance of the Meeting. The Company will NOT pay for the costs of delivery of proxy related materials to objecting beneficial owners.

**If you are a Beneficial Shareholder and wish to vote in person at the Meeting, please contact your broker or agent well in advance of the Meeting to determine how you can do so.**

### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The authorized share capital of the Company consists of an unlimited number of common shares without par value. As at the date of this Management Proxy Circular, 43,656,340 common shares without par value were issued and outstanding, each such share carrying the right to one (1) vote at the Meeting. October 20, 2020 has been fixed by the directors of the Company as the record date for the purpose of determining those shareholders entitled to receive notice of and to vote at the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company.

### **BUSINESS OF THE MEETING**

#### **FINANCIAL STATEMENTS**

The financial statements for the fiscal year ended May 31, 2020, together with the auditor's report thereon, are included with this Management Proxy Circular, if requested. These documents are also available on [www.sedar.com](http://www.sedar.com).

#### **APPOINTMENT OF AUDITORS**

In accordance with the recommendation of the Company's Audit Committee, the board of directors (the "Board") recommends that shareholders vote for the reappointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants as the Company's auditors to hold office until the next annual general meeting of shareholders of the Company at a remuneration to be fixed by the directors. Dale Matheson Carr-Hilton Labonte LLP was first appointed as the Company's auditor on January 6, 2020.

#### **ELECTION OF DIRECTORS**

The number of directors for the Company is set by ordinary resolution of the shareholders of the Company. Management of the Company is seeking shareholder approval of an ordinary resolution determining the number of directors of the Company at five (5) for the ensuing year.

The persons below are management's nominees to the Board. Each director elected will hold office until the next annual general meeting or until his or her successor is duly elected or appointed unless his or her office is earlier vacated in accordance with the Articles of the Company or unless he or she becomes disqualified to act as a director.

Name, Municipality of Residence, Office and Date became a Director	Present and Principal Occupation During the Last Five Years	Common Shares Beneficially Owned Directly or Indirectly or Controlled or Directed	Stock Options or Common Share Purchase Warrants Beneficially Owned Directly or Indirectly or Controlled or Directed
<p><b>Anthony Brown</b> <sup>(2)</sup> British Columbia, Canada <i>Director since October 11, 2019</i> <i>Chief Executive Officer since October 11, 2019</i></p>	<p>Mr. Brown has been an entrepreneur with a focus in technology and digital media for nearly two decades. In 2001, Mr. Brown co-founded Seven Group, a technology integrator with a focus in supercomputing, data management, and digital media.</p> <p>Mr. Brown is the CEO and co-founder of AMPD Holdings, a technology infrastructure company with a focus in video games and HPC which was founded in April 2015.</p>	<p>3,667,386 Common Shares</p>	<p>Nil Stock Options</p>
<p><b>Donald Bustin</b> <sup>(3)</sup> New Brunswick, Canada <i>Director since October 11, 2019</i> <i>Chief Technology Officer since Oct 11, 2019</i></p>	<p>Mr. Bustin is a life-long technology enthusiast, having more than 20 years of experience working with a range of companies from start-ups to the Fortune 500.</p> <p>Mr. Bustin was previously co-founder and CTO of Infinite Game Publishing and co-founder and CTO of AMPD Holdings.</p>	<p>3,543,884 Common Shares</p>	<p>Nil Stock Options</p>
<p><b>Ravinder Kang</b> <sup>(1)</sup> British Columbia, Canada <i>Director since February 15, 2019</i></p>	<p>Mr. Kang has been self-employed since April 2015. He was the director of Listed Issuer Services and held other positions with TMX Group from March 1992 to March 2015.</p> <p>Mr. Kang is currently the principal of RSJ Consulting Inc., a firm that provides corporate finance advice.</p>	<p>166,000 Common Shares</p>	<p>300,000 Stock Options</p>
<p><b>Howard Donaldson</b> <sup>(1)</sup> Santa Monica, California <i>Director since October 11, 2019</i></p>	<p>Mr. Donaldson has over 20 years' experience as a senior operating and financial executive at global entertainment and technology companies including Disney Interactive, Electronic Arts Canada, McGraw-Hill Education Group and Vanedge Capital (Venture Capital).</p> <p>Mr. Donaldson was a Partner and CFO for Vanedge Capital in Vancouver from July 2012 to July 2016.</p> <p>Mr. Donaldson was previously Vice President of Studio Operations for Disney Interactive from September 2007 to February 2011.</p> <p>Mr. Donaldson was previously Vice President and CFO for Electronic Arts Canada from September 1997 to June 2004.</p>	<p>Nil Common Shares</p>	<p>200,000 Stock Options</p>

Name, Municipality of Residence, Office and Date became a Director	Present and Principal Occupation During the Last Five Years	Common Shares Beneficially Owned Directly or Indirectly or Controlled or Directed	Stock Options or Common Share Purchase Warrants Beneficially Owned Directly or Indirectly or Controlled or Directed
<p><b>Markus Windelen</b> <sup>(1)</sup> Berlin, Germany</p> <p><i>Director since October 11, 2019</i></p>	<p>Mr. Windelin is a games industry professional with more than 20 years management experience in executive leadership roles and a proven and successful track record from global entertainment companies including Atari, Gameforge and Six Foot.</p> <p>Mr. Windelen has been the Managing Director of the European subsidiary of Six Foot, a transmedia entertainment since July 2016 to present.</p> <p>Mr. Windelen was previously COO of Gameforge, a leading European online games publisher in Karlsruhe/Germany, from May 2012 to March 2016.</p> <p>Previously, Mr. Windelen was COO of dtp entertainment, a Hamburg based publishing house, from May 2006 to October 2010.</p>	<p>Nil Common Shares</p>	<p>200,000 Stock Options</p>

**Notes:**

- (1) Member of the Audit Committee.
- (2) 14,500 of these Common Shares are held through Rabid Publishing Inc., a company owned by Anthony Brown, Donald Bustin and James Hursthouse.
- (3) 14,500 of these Common Shares are held through Rabid Publishing Inc., a company owned by Anthony Brown, Donald Bustin and James Hursthouse.

**Corporate Cease Trade Orders or Bankruptcies**

Except as disclosed below, during the ten years preceding the date of this Management Proxy Circular, no proposed director of the Company has, to the knowledge of the Company, been:

- (a) a director, chief executive officer or chief financial officer of any company that:
  - (i) was the subject of a cease trade or similar order or an order that denied such company access to any exemption under securities legislation that was in effect for a period of more than thirty consecutive days (an "Order") while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
  - (ii) was subject to such an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer in the company that is the subject of the Order and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any

proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that company.

### **Penalties and Sanctions**

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

### **Individual Bankruptcies**

During the ten years preceding the date of this Management Proxy Circular, except as disclosed below no proposed director of the Company has, to the knowledge of the Company, 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.

On May 18, 2012, The Seven Group Data Management Company Inc. (“Seven Group”), a wholly owned subsidiary of 7G Entertainment Inc. (“7G”) as of July 2011, entered bankruptcy (BIA Estate Number 11-1624378). Grant Thornton Limited was appointed as the licensed insolvency trustee. Anthony Brown was employed by 7G as CEO between July 2011 and March 2012, and as President between March 2012 and October 2013, and was a director of 7G from July 2011 until December 2012.

Donald Bustin was employed by 7G as Chief Information Officer between July 2011 and December 2012, and as VP of Technology between December 2012 and April 2013.

On June 25, 2014, the trustee filed its discharge as trustee of Seven Group.

On August 31, 2016, Roadhouse Holdings Ltd., Roadhouse Interactive Limited and Roadhouse Productions Limited, a corporation of which James Hursthouse was the Chief Executive Officer, was ordered into receivership and assigned itself into bankruptcy under Action Number S-167840. The discharge of the Receiver was officially recorded on December 5, 2017.

On August 10, 2018, the Trustee filed its discharge as Trustee.

### **APPROVAL OF THE STOCK OPTION PLAN**

A number of Common Shares equal to ten (10%) percent of the issued and outstanding Common Shares in the capital stock of the Company from time to time are reserved for the issuance of stock options pursuant to the Company’s Stock Option Plan dated for reference October 11, 2019 (the “Plan”).

The purpose of the Plan is to allow the Company to grant stock options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such Options is intended to align the interests of such persons with that of the Company’s shareholders.

### **MATERIAL TERMS OF THE STOCK OPTION PLAN**

The following is a summary of the material terms of the Plan:

1. The Plan shall be administered by the Board, a special committee of the Board (the “Committee”) or by an administrator appointed by the Board or the Committee (the “Administrator”) either of which will have full and final authority with respect to the granting of all Options thereunder. Options may be granted under the

Option Plan to such directors, officers, employees or consultants of the Company, as the Board, the Committee or the Administrator may from time to time designate.

2. Subject to adjustment as provided for in the Plan, the aggregate number of Common Shares which will be available for purchase pursuant to Options granted under the Plan will not exceed 10% of the number of Common Shares which are issued and outstanding on the particular date of grant. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Common Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Option Plan.
3. The exercise price at which an Option holder may purchase a Common Share upon the exercise of an Option shall be determined by the Board, the Committee or the Administrator, as applicable and shall be set out in the Option Certificate issued in respect of the Option. The exercise price shall not be less than the price determined in accordance with the Canadian Stock Exchange (the "CSE") policies while, and if, the Company's Common Shares are listed on the CSE.
4. The term of any Option granted under the Plan (the "Term") shall be determined by the Board, the Committee or the Administrator, as applicable, at the time the Option is granted but, subject to earlier termination in the event of termination, or in the event of death or disability of the Option holder. In the event of death or disability, the Option shall expire on the earlier of the date which is six months following the date of disability or death and the applicable expiry date of the Option. Options granted under the Option Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.
5. Subject to such other terms or conditions that may be attached to Options granted under the Plan, an Option holder may exercise an Option in whole or in part at any time and from time to time during the Term. Any Option or part thereof not exercised within the Term shall terminate and become null, void and of no effect as of the date of expiry of the Option. The expiry date of an Option shall be the date so fixed by the Board, the Committee or the Administrator, as applicable, at the time the Option is granted as set out in the Option Certificate or, if no such date is set out in for the Option Certificate the applicable circumstances, the date established, if applicable, in paragraphs (a) or (b) below or in the event of death or disability (as discussed above under "Maximum Term of Options") or in the event of certain triggering events occurring, as provided for under the Plan:
  - a. Ceasing to Hold Office - In the event that the Option holder holds his or her Option as an executive and such Option holder ceases to hold such position other than by reason of death or disability, the expiry date of the Option shall be, unless otherwise expressly provided for in the Option certificate, the 90th day following the date the Option holder ceases to hold such position unless the Option holder ceases to hold such position as a result of:
    - i. ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
    - ii. a special resolution having been passed by the shareholders of the Company removing the Option holder as a director of the Resulting Issuer or any subsidiary; or
    - iii. an order made by any regulatory authority having jurisdiction to so order;in which case the expiry date shall be the date the Option holder ceases to hold such position; or
  - b. Ceasing to be Employed or Engaged - In the event that the Option holder holds his or her Option as an employee or consultant, other than an Option holder who is engaged in investor relations activities, and such Option holder ceases to hold such position other than by reason of death or disability, the expiry date of the Option shall be, unless otherwise expressly provided for in the Option certificate, the 90th day following the date the Option holder ceases to hold such position,

or, in the case of an Option holder that is engaged in investor relations activities, the 30th day after the date such Option holder ceases to hold such position, unless the Option holder ceases to hold such position as a result of:

- i. termination for cause;
- ii. resigning or terminating his or her position; or
- iii. an order made by any regulatory authority having jurisdiction to so order;

in which case the expiry date shall be the date the Option holder ceases to hold such position.

In the event that the Option holder ceases to hold the position of executive, employee or consultant for which the Option was originally granted, but comes to hold a different position as an executive, employee or consultant prior to the expiry of the Option, the Committee, the Board or the Administrator, as applicable, may, in its sole discretion, choose to permit the Option to stay in place for that Option holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder. Notwithstanding anything else contained in the Option Plan, in no case will an Option be exercisable later than the expiry date of the Option.

The foregoing summary is subject to and qualified by the provisions of Stock Option Plan available for review in Schedule "B" to this Circular.

Disinterested shareholder approval of the following resolution is not required because the Plan cannot result at any time in: (i) the number of Common Shares reserved for issuance under stock options granted to insiders exceeding 10% of the issued Common Shares; or (ii) the grant to insiders, within a 12 month period, of a number of options exceeding 10% of the issued Common Shares.

The shareholders of the Company will be asked to pass the following ordinary resolution:

**"BE IT RESOLVED THAT:**

1. subject to regulatory approval, the Stock Option Plan, in the form presented to this Meeting, is approved and is hereby directed to be attached to the Minutes of this Meeting as a Schedule thereto;
2. the Company is authorized to grant stock options pursuant and subject to the terms and conditions of the Stock Option Plan entitling all of the option holders in aggregate to purchase up to such number of Common Shares of the Company as is equal to 10% of the number of Common Shares of the Company issued and outstanding on the applicable grant date;
3. the Board is authorized to make such amendments to the Stock Option Plan from time to time as the Board may, in its discretion, consider to be appropriate and in certain cases, in accordance with the terms of the Stock Option Plan; and
4. the approval of the Stock Option Plan by the Board is hereby ratified and any one director of the Company is hereby authorized to execute any other documents as the director deems necessary to give effect to the transactions contemplated in the Stock Option Plan."

**Management of the Company recommends that shareholders vote in favour of the above resolution, and the persons named in the enclosed form of Proxy as the management designees intend to vote for the approval of the foregoing resolution at the Meeting unless otherwise directed by the shareholders appointing them.**

## **AUDIT COMMITTEE DISCLOSURE**

Under National Instrument 52-110 – *Audit Committee* (“NI 52-110”), venture issuers are required to provide certain disclosure with respect to their Audit Committee, including the text of the Audit Committee’s charter, the composition of the Audit Committee and the fees paid to the external auditor. The Company’s Audit Committee Charter is provided in Schedule “A”.

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

The current members of the Committee are Howard Donaldson, Ravinder Kang, and Markus Windelen. Ravinder Kang is the Chairman of the Audit Committee. All of the members are financially literate and are considered independent. “Independent” and “financially literate” have the meaning used in NI 52-110.

### **Relevant Education and Experience**

NI 52-110 provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

All of the members of the Audit Committee are financially literate as that term is defined in NI 52-110, based on their education and experience as directors and executive officers of public and/or private companies. A description of the education and experience of each of the Audit Committee members is set out below.

**Howard Donaldson** has over 20 years’ experience as a senior operating and financial executive at global entertainment and technology companies including Disney Interactive, Electronic Arts Canada, McGraw-Hill Education Group and Vanedge Capital (Venture Capital).

Most recently, Mr. Donaldson was a Partner and CFO for Vanedge Capital in Vancouver. Mr. Donaldson was also previously Vice President and CFO for Electronic Arts Canada.

Mr. Donaldson earned a BBA from the University of Michigan and an MBA from the University of Detroit. He also earned a CPA designation with work experience at PricewaterhouseCoopers (PwC).

**Ravinder Kang** is a corporate finance professional who is experienced in all aspects of CSE policy, corporate governance and public company obligations. Mr. Kang is currently the principal of RSJ Consulting Inc., a firm that provides corporate finance advice. Mr. Kang received a Bachelor of Commerce degree from the University of British Columbia in 1988 and obtained his C.A. designation at Ernst and Young.

**Markus Windelen** graduated from Friedrich Wilhelm University Bonn/Germany with a Master of Arts. Mr. Windelen is currently the Managing Director of Six Foot, LLC – a U.S. transmedia entertainment company, where he manages the European business operations and strategic planning. Mr. Windelen previously held the positions of VP Webgames and later COO at Gameforge in Germany.

### **Audit Committee Oversight**

At no time since the commencement of the Company’s most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor (currently Dale Matheson Carr-Hilton Labonte LLP) not adopted by the Board.

### **Reliance on Certain Exemptions**

The Company has not relied on the exemptions contained in section 2.4 of NI 52-110 (De Minimis Non-Audit Services), subsection 6.1.1(4) (Circumstances Affecting the Business or Operations of the Venture Issuer),

subsection 6.1.1(5) (Events Outside Control of Member), subsection 6.1.1(6) (Death, Incapacity or Resignation) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Company's Board, and where applicable by the Audit Committee, on a case by case basis.

### External Auditor Service Fees (by Category)

The aggregate fees charged to the Company by the external auditor in each of the last two fiscal years are as follows:

Financial Year Ending <sup>(1)</sup>	Audit Fees <sup>(2)</sup>	Audit-Related Fees	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
May 31, 2020	\$70,000	Nil	\$5,750	\$14,320
Feb 28, 2019	\$25,000	Nil	\$2,500	Nil

- (1) The Company completed a reverse takeover transaction with AMPD Holdings Corp., its operating subsidiary, on October 11, 2019 and became a reporting issuer effective October 15, 2019. The Company has changed its financial year-end February 28 to May 31.
- (2) The aggregate audit fees billed.
- (3) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".

### Exemption

In respect of the most recently completed financial year, the Company is relying on the exemption set out in section 6.1 of NI 52-110 from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

## STATEMENT OF EXECUTIVE COMPENSATION

### Director and Named Executive Officer Compensation (excluding Compensation Securities)

The following table provides a summary of compensation paid, directly or indirectly to the directors, and to the following persons (collectively, the "Named Executive Officers" or "NEOs"), for the financial year ended May 31, 2020. The Company was not a reporting issuer at any time during the financial year ended February 28, 2019.

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

Table of compensation excluding compensation securities							
Name and position	Year <sup>(1)</sup>	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Anthony Brown, CEO Director	2020	\$114,500	Nil	Nil	Nil	Nil	\$114,500
John Ross, CFO, Secretary	2020	\$ 13,500	Nil	Nil	Nil	Nil	\$ 13,500
Donald Bustin, CTO, Director	2020	\$ 120,000	Nil	Nil	Nil	Nil	\$ 120,000
James Hursthouse, CSO	2020	\$140,000	\$30,000	Nil	Nil	Nil	\$170,000
Ravinder Kang Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
Howard Donaldson Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
Markus Windelen Director	2020	\$8,000	Nil	Nil	Nil	Nil	\$8,000

<sup>(1)</sup> The Company completed a reverse takeover transaction with AMPD Holdings Corp., its operating subsidiary, on October 11, 2019 and became a reporting issuer effective October 15, 2019. The Company has changed its financial year-end February 28 to May 31.

### External Management Companies

There are currently no contracts with external management companies in effect.

### Stock Options and Other Compensation Securities

The following table sets forth the compensation securities that were granted or issued to each director and named executive officer by the Company during the year ended May 31, 2020 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries. The Company was not a reporting issuer at any time during the financial year ended February 28, 2019.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Anthony Brown, CEO Director	Warrants	2,000,000	01-Jun-19	\$0.006	\$0.35	\$0.19	June 30, 2021 to June 30, 2024
John Ross, CFO,	Options	100,000	2019-10-24	0.19	0.19	\$0.19	2024-10-24

Secretary <sup>(1)</sup>							
Donald Bustin, CTO, Director	Warrants	2,000,000	01-Jun-19	\$0.006	\$0.35	\$0.19	June 30, 2021 to June 30, 2024
James Hursthouse, CSO <sup>(2)</sup>	Warrants	1,000,000	01-Jun-19	\$0.006	\$0.35	\$0.19	June 30, 2021 to June 30, 2024
	Options	200,000	2019-10-26	0.19	0.19	\$0.19	2024-10-26
Ravinder Kang Director <sup>(3)</sup>	Options	200,000	2019-10-26	0.19	0.19	\$0.19	2024-10-26
Howard Donaldson Director <sup>(4)</sup>	Options	200,000	2019-10-24	0.19	0.19	\$0.19	2024-10-24
Markus Windelen Director <sup>(5)</sup>	Options	200,000	2019-10-24	0.19	0.19	\$0.19	2024-10-24

(1) As at May 31, 2020, Mr. Ross held 16,667 fully vested stock options at an exercise price of \$0.19 expiring October 24, 2024.

(2) As at May 31, 2020, Mr. Hursthouse held 33,333 fully vested stock options at an exercise price of \$0.19 expiring October 26, 2024.

(3) As at May 31, 2020, Mr. Kang held 33,333 fully vested stock options at an exercise price of \$0.19 expiring October 26, 2024.

(4) As at May 31, 2020, Mr. Donaldson held 33,333 fully vested stock options at an exercise price of \$0.19 expiring October 24, 2024.

(5) As at May 31, 2020, Mr. Windelen held 33,333 fully vested stock options at an exercise price of \$0.19 expiring October 24, 2024.

### Exercise of Compensation Securities

No director of the Company or Named Executive Officer exercised any compensation securities during the financial year ended May 31, 2020.

### Stock Option Plans and Other Incentive Plans

At the present time, the Company has a “rolling” Stock Option Plan.

**For details of the Stock Option Plan, see “Approval of the Stock Option Plan” above.**

The Company has no other form of compensation plan under which equity securities of the Company are authorized for issuance to employees or non-employees in exchange for consideration in the form of goods and services.

### Employment, Consulting and Management Agreements

Employment agreement dated June 14<sup>th</sup>, 2020 between Anthony Brown, CEO and the Company.

Employment agreement dated May 15<sup>th</sup>, 2019 between Donald Bustin, CTO and the Company.

Employment agreement dated May 15<sup>th</sup>, 2019 between James Hursthouse, CSO and the Company.

Consulting agreement dated July 15<sup>th</sup>, 2019 between John C. Ross, CFO and the Company.

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

### *Overview and Philosophy*

#### *Director Compensation*

The Company has no standard arrangements pursuant to which directors are compensated by the Company for their services in their capacity as directors except for the granting from time to time of incentive stock options in accordance with the Stock Option Plan and the CSE. The granting of incentive stock options provides a link between director compensation and the Company's share price. It also rewards directors for achieving results that improve Company performance and thereby increase shareholder value. In making a determination as to whether a grant of long-term incentive stock options is appropriate, and if so, the number of options that should be granted, the Board will consider: the number and terms of outstanding incentive stock options held by each director; the value in securities of the Company that the Board intends to award as compensation; the potential dilution to shareholders and the cost to the Company; general industry standards; and the limits imposed by the terms of the Plan and the Exchange. The granting of incentive stock options allows the Company to reward the directors' efforts to increase value for shareholders without requiring the Company to use cash from its treasury. The terms and conditions of the Company's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Stock Option Plan, which are described under "Approval of the Stock Option Plan" above. The directors may be reimbursed for actual expenses reasonably incurred in connection with the performance of their duties as directors.

#### *Named Executive Officer Compensation*

The Company relies solely on the directors to determine the compensation of the Named Executive Officers. In determining compensation, the directors consider industry standards and the Company's financial situation, but the Company does not have any formal objectives or criteria. The performance of each executive officer is informally monitored by the directors, having in mind the business strengths of the individual and the purpose of originally appointing the individual as an officer.

In establishing compensation for executive officers, the Board as a whole seeks to accomplish the following goals:

- To recruit and subsequently retain highly qualified executive officers by competitive offering overall compensation;
- To motivate executives to achieve important corporate and personal performance objectives and reward them when such objectives are met; and
- To align the interests of executive officers with the long-term interests of shareholders through participation in the Company's Stock Option Plan.

When considering the appropriate executive compensation to be paid to our officers, the Board have regard to a number of factors including: (i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Company's shareholders; (iv) rewarding performance, both on an individual basis and with respect to operations generally; and (v) available financial resources.

The Company's Chief Executive Officer, Mr. Anthony Brown, is compensated solely by way of base annual salary (see above "Employment, Consulting and Management Agreements").

The Company's Chief Financial Officer, Mr. John Ross, is compensated by way of consulting fees (\$750 per day) and stock options.

The Board did not use any formal peer group evaluation to determine these officers' compensation payments.

### *Compensation Program*

Our executive compensation program generally consists of base salary, cash incentive compensation (“bonuses”) and long-term incentive compensation in the form of stock options. All compensation decisions are determined following a review of factors that we believe are relevant, including: our achievements over the past year, the individual’s contributions to our success and any significant changes in their role or responsibility.

In general, we intend that the overall total compensation opportunities provided to the executive officers should reflect competitive compensation for executive officers with corresponding responsibilities in Canadian publicly listed companies of a similar size with operations in British Columbia, Canada. To the extent determined to be appropriate, we also consider general economic conditions, our financial performance, including corporate net income, return on equity and return on net assets, and individual merit in setting compensation policies for our executive officers.

For the fiscal year ended May 31, 2020, the Board reviewed the appropriate mix between salary and other forms of compensation and set annual compensation guidelines for our executive officers based on this review.

### *Base Compensation*

The Company determines base salary based on a combination of comparable market data, experience, level of responsibility and other relevant factors. For fiscal 2020, compensation for executive officers was set within the range of this compensation review for executive officers with comparable qualifications, experience and responsibilities at other Canadian publicly listed companies of a similar size with operations in British Columbia, Canada, based on the determination of management. Base compensation was also determined in light of a particular individual’s contribution as a whole, including compliance with legal and accounting regulations, recognition and pursuit of business expansion opportunities and initiation of programs to enhance shareholder value.

### *Short Term Incentives*

Short term incentives for executives and management are provided through annual bonus plans based on the performance of the business. The objectives of these plans are to align the behaviour of executives and management with the overall strategy of the business and shareholder interests.

Eligible participants could receive an annual bonus based on the actual performance of three criteria: (i) performance against budget; (ii) consolidated return on net assets; and (iii) pre-set targets specifically related to the position of the participant.

### *Long-Term Incentives*

Long-term incentives for executive officers and key employees are provided through the Stock Option Plan. The objectives of this plan is to align executive and shareholder long-term interests by creating a strong and direct link between executive compensation and shareholder return, and to enable executive officers to develop and maintain a significant, long-term stock ownership position in our common shares. Stock options are usually granted annually to our executive officers and certain key employees. In selecting executive officers eligible to receive stock options and determining the amount and frequency of such grants, we evaluate a variety of factors, including the following: (i) the job level of the executive officer; and (ii) past, current and prospective service rendered, or to be rendered, by the executive officer. Previous grants of stock options are taken into account when considering new grants.

### *Corporate Goals*

Although the Board has not established any specific performance goals, it has established the following general performance goals for the Company’s current Named Executive Officers (the “NEOs”):

1. Achievement of budgets as approved by the Board;

2. Execution of corporate objectives including, successful completion of expansion and acquisition activities; and
3. Increased shareholder return on investment as measured by earnings per share and return on net assets.

At the end of each year, the Board also reviews actual performance against corporate goals.

The Chief Executive Officer (the “CEO”) participates in discussions or reviews executive compensation for NEOs but does not participate in the discussions or review of his own compensation.

The CEO compensation is determined by the Board. The Board’s policy is that the salary of the CEO should be in line with competitive salaries for positions of similar responsibility at other Canadian publicly listed companies of a similar size with operations in British Columbia, Canada, and to be consistent with the CEO’s respective contributions to the overall benefit of the Company. In assessing compensation paid to the CEO, the Board also reviews available industry data relating to similar companies.

### Compensation Governance

The Company has not established a Compensation Committee due to its current size and stage of development. Compensation policies are developed and overseen by the Board.

### Pension Plan Benefits

The Company does not have any pension plans.

### Securities Authorized for Issuance under Equity Compensation Plans

The following table is as of May 31, 2020:

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	1,600,000	\$0.41	2,526,634
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	1,600,000	\$0.41	2,526,634

The Board determines the number of stock options to be awarded. Stock options are generally awarded to executive officers at the commencement of employment and periodically thereafter. Stock options are granted to reward individuals for current performance, expected future performance and value to the Company. Generally, the size of awards made takes into account stock options already held by the individual.

### Proportion of Common Shares Held by Directors and Executive Officers

Collectively, as of the date hereof, the directors and executive officers of the Company, as a group, own 12,716,574 common shares representing approximately 29% of the issued and outstanding common shares.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No director or officer, or former director or officer of the Company nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Company nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Company.

## **REPORT ON CORPORATE GOVERNANCE**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. National Instrument 58-201 Corporate Governance Guidelines establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 Disclosure of Corporate Governance Practices (“NI 58-101”) the Company is required to disclose its corporate governance practices, as summarized below. The Board will continue to monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

### **Board of Directors**

The Board consists of five directors.

The Governance Policy suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as “unrelated”, or “independent”, directors. An “unrelated” director is a director who is independent of management and is free from any interest and any business or other relationship which could or could reasonably be perceived to materially interfere with the director’s ability to act with a view to the best interests of the Company, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, the Governance Policy suggests that the Board of Directors should include a number of directors who do not have interests in either the company or the significant shareholder.

The Company has three “unrelated” directors within the meaning of the Governance Policy: Mr. Howard Donaldson, Mr. Ravinder Kang, and Mr. Markus Windelen. The two remaining directors are not considered “unrelated” within the meaning of the Governance Policy: Mr. Anthony Brown (CEO), and Mr. Don Bustin (CTO). In assessing the Governance Policy and making the foregoing determinations, the circumstances of each director have been examined in relation to a number of factors. Directors are expected to attend Board meetings and meetings of committees on which they serve and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities.

### **Board Mandate**

The Board will facilitate independent supervision of management through meetings of the Board and through frequent informal discussions among independent members of the Board and management. In addition, the Board will have access to the Company’s external auditors, legal counsel and to any of the Company’s officers.

The Board will have a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to management, evaluate management, set policies appropriate for the business of the Company and approve corporate strategies and goals.

The day-to-day management of the business and affairs of the Company will be delegated by the Board to the senior officers of the Company. The Board will give direction and guidance through the CEO to management and will keep management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board will recommend nominees to the shareholders for election as directors, and immediately following each annual general meeting will appoint an Audit Committee.

The Board will exercise its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. To facilitate open and candid discussion among its independent directors, such directors will be encouraged to communicate with each other directly to discuss ongoing issues pertaining to the Company.

### **Directorships**

None of the proposed directors are, or have been within the last five years, directors of other issuers that are or were reporting issuers in any Canadian jurisdiction.

### **Orientation and Continuing Education**

The Board has not adopted formal policies respecting continuing education for Board members. Board members are encouraged to communicate with management, legal counsel, auditors and consultants of the Company, to keep themselves current with industry trends and developments and changes in legislation with management's assistance, and to attend related industry seminars and visit the Company's operations. Board members will have full access to the Company's records.

### **Ethical Business Conduct**

The Board has not adopted formal guidelines to encourage and promote a culture of ethical business conduct but does promote ethical business conduct by nominating board members it considers ethical, by avoiding or minimizing conflicts of interest and by having a sufficient number of its board members independent of corporate matters.

The Board has found that the fiduciary duties placed on individual directors by governing corporate legislation and the common law, and the restrictions placed by the *British Columbia Business Corporations Act* (the "BCBCA"), on an individual director's participation in decisions of the Board in which the director has an interest, have helped to ensure that the Board operates independently of management and in the best interests of the Company.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of a company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, if a director of a company also serves as a director or officer of another company engaged in similar business activities to the first company, that director must comply with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors that evoke such a conflict.

### **Nomination of Directors**

The Company will not have a stand-alone nomination committee. The full Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the industry are consulted for possible candidates. It is not anticipated that the nomination committee of the Company will adopt a formal process to determine new nominees in the next year.

### **Compensation**

The Board will conduct reviews with regard to directors' and officers' compensation at least once a year. For information regarding the steps taken to determine compensation for the directors and the executive officers, see "Statement of Executive Compensation" herein.

### **Other Board Committees**

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

### **Assessments**

The Board will monitor the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees. On an ongoing annual basis, the Board will assess the performance of the Board as a whole, each of the individual directors and each committee of the Board in order to satisfy itself that each is functioning effectively.

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

As a component of the compensation paid to our directors and officers may include stock options, the directors and officers have an interest in the approval of the Stock Option Plan.

Other than as disclosed elsewhere in this Management Proxy Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no 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 upon at the Meeting.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set forth in this Management Proxy Circular, no informed person of the Company, no proposed nominee for election as a director of the Company and no associate or affiliate of any such informed person or proposed nominee has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction that, in either case, has materially affected or will materially affect the Company or any of its subsidiaries. The term "informed person" as defined in National Instrument 51-102 *Continuous Disclosure Obligations* means a director or executive officer of the Company, or any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution.

### **MANAGEMENT CONTRACTS**

Management functions of the Company or any subsidiary of the Company are not, to any substantial degree, performed by a person other than the directors or executive officers of the Company or its subsidiaries.

**ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Financial information is provided in the Company's comparative financial statements and Management Discussion and Analysis for its most recently completed financial year. To request copies of the Company's financial statements and Management Discussion and Analysis, please contact Anthony Brown, the Chief Executive Officer of the Company, at #210-577 Great Northern Way, Vancouver, British Columbia, V5T 1E1; telephone 604 332-3329; [info@ampd.tech](mailto:info@ampd.tech).

**OTHER MATTERS**

Management knows of no other matters to come before the Meeting, other than those referred to in the Notice of Meeting. However, if any other matters which are not known to management shall properly come before said Meeting, the Form of Proxy given pursuant to the solicitation by management will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

**SCHEDULE “A”**  
**AMPD VENTURES INC.**  
**CHARTER OF THE AUDIT COMMITTEE**

**PURPOSE AND PRIMARY RESPONSIBILITY**

1. This charter sets out the Audit Committee’s purpose, composition, member qualification, member appointment and removal, responsibilities, operations, manner of reporting to the Board of Directors (the “Board”) of AMPD Ventures Inc. (the “Company”), annual evaluation and compliance with this charter.
2. The primary responsibility of the Audit Committee is that of oversight of the financial reporting process on behalf of the Board. This includes oversight responsibility for financial reporting and continuous disclosure, oversight of external audit activities, oversight of financial risk and financial management control, and oversight responsibility for compliance with tax and securities laws and regulations as well as whistle blowing procedures. The Audit Committee is also responsible for the other matters as set out in this charter and/or such other matters as may be directed by the Board from time to time. The Audit Committee should exercise continuous oversight of developments in these areas.

**MEMBERSHIP**

3. At least a majority of the Audit Committee must be comprised of independent directors of the Company as defined in sections 1.4 and 1.5 of National Instrument 52-110 – Audit Committees (“NI 52-110”), provided that should the Company become listed on a more senior exchange, each member of the Audit Committee will also satisfy the independence requirements of such exchange.
4. The Audit Committee will consist of at least two members, all of whom shall be financially literate, provided that an Audit Committee member who is not financially literate may be appointed to the Audit Committee if such member becomes financially literate within a reasonable period of time following his or her appointment. Upon graduating to a more senior stock exchange, if required under the rules or policies of such exchange, the Audit Committee will consist of at least three members, all of whom shall meet the experience and financial literacy requirements of such exchange and of NI 52-110.
5. The members of the Audit Committee will be appointed annually (and from time to time thereafter to fill vacancies on the Audit Committee) by the Board. An Audit Committee member may be removed or replaced at any time at the discretion of the Board and will cease to be a member of the Audit Committee on ceasing to be an independent director.
6. The Chair of the Audit Committee will be appointed by the Board.

**AUTHORITY**

7. In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:
  - (i) engage, set and pay the compensation for independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities, and any such consultants or professional advisors so retained by the Audit Committee will report directly to the Audit Committee;
  - (ii) communicate directly with management and any internal auditor, and with the external auditor without management involvement; and

(iii) incur ordinary administrative expenses that are necessary or appropriate in carrying out its duties, which expenses will be paid for by the Company.

## **DUTIES AND RESPONSIBILITIES**

8. The duties and responsibilities of the Audit Committee include:

- (i) recommending to the Board the external auditor to be nominated by the Board;
- (ii) recommending to the Board the compensation of the external auditor to be paid by the Company in connection with (i) preparing and issuing the audit report on the Company's financial statements, and (ii) performing other audit, review or attestation services;
- (iii) reviewing the external auditor's annual audit plan, fee schedule and any related services proposals (including meeting with the external auditor to discuss any deviations from or changes to the original audit plan, as well as to ensure that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditor or the reporting of their findings to the Audit Committee);
- (iv) overseeing the work of the external auditor;
- (v) ensuring that the external auditor is independent by receiving a report annually from the external auditors with respect to their independence, such report to include disclosure of all engagements (and fees related thereto) for non-audit services provided to the Company;
- (vi) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board by receiving, at least annually, a report by the external auditor on the audit firm's internal quality control processes and procedures, such report to include any material issues raised by the most recent internal quality control review, or peer review, of the firm, or any governmental or professional authorities of the firm within the preceding five years, and any steps taken to deal with such issues;
- (vii) ensuring that the external auditor meets the rotation requirements for partners and staff assigned to the Company's annual audit by receiving a report annually from the external auditors setting out the status of each professional with respect to the appropriate regulatory rotation requirements and plans to transition new partners and staff onto the audit engagement as various audit team members' rotation periods expire;
- (viii) reviewing and discussing with management and the external auditor the annual audited and quarterly unaudited financial statements and related Management Discussion and Analysis ("MD&A"), including the appropriateness of the Company's accounting policies, disclosures (including material transactions with related parties), reserves, key estimates and judgements (including changes or variations thereto) and obtaining reasonable assurance that the financial statements are presented fairly in accordance with IFRS and the MD&A is in compliance with appropriate regulatory requirements;
- (ix) reviewing and discussing with management and the external auditor major issues regarding accounting principles and financial statement presentation including any significant changes in the selection or application of accounting principles to be observed in the preparation of the financial statements of the Company and its subsidiaries;
- (x) reviewing and discussing with management and the external auditor the external auditor's written communications to the Audit Committee in accordance with generally accepted auditing standards and other applicable regulatory requirements arising from the annual audit and quarterly review engagements;
- (xi) reviewing and discussing with management and the external auditor all earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies prior to such information being disclosed;

(xii) reviewing the external auditor's report to the shareholders on the Company's annual financial statements;

(xiii) reporting on and recommending to the Board the approval of the annual financial statements and the external auditor's report on those financial statements, the quarterly unaudited financial statements, and the related MD&A and press releases for such financial statements, prior to the dissemination of these documents to shareholders, regulators, analysts and the public;

(xiv) satisfying itself on a regular basis through reports from management and related reports, if any, from the external auditors, that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements that such information is fairly presented;

(xv) overseeing the adequacy of the Company's system of internal accounting controls and obtaining from management and the external auditor summaries and recommendations for improvement of such internal controls and processes, together with reviewing management's remediation of identified weaknesses;

(xvi) reviewing with management and the external auditors the integrity of disclosure controls and internal controls over financial reporting;

(xvii) reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company and assessing, as part of its internal controls responsibility, the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board;

(xviii) satisfying itself that management has developed and implemented a system to ensure that the Company meets its continuous disclosure obligations through the receipt of regular reports from management and the Company's legal advisors on the functioning of the disclosure compliance system, (including any significant instances of non-compliance with such system) in order to satisfy itself that such system may be reasonably relied upon;

(xix) resolving disputes between management and the external auditor regarding financial reporting;

(xx) establishing procedures for:

1. the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto; and

2. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

(xxi) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;

(xxii) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;

(xxiii) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities;

(xxiv) establishing procedures for:

3. reviewing the adequacy of the Company's insurance coverage, including the Directors' and Officers' insurance coverage;

4. reviewing activities, organizational structure, and qualifications of the Chief Financial Officer (“CFO”) and the staff in the financial reporting area and ensuring that matters related to succession planning within the Company are raised for consideration at the Board;

5. obtaining reasonable assurance as to the integrity of the Chief Executive Officer (“CEO”) and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;

6. reviewing fraud prevention policies and programs, and monitoring their implementation;

7. reviewing regular reports from management and others (e.g., external auditors, legal counsel) with respect to the Company’s compliance with laws and regulations having a material impact on the financial statements including:

(I) Tax and financial reporting laws and regulations;

(II) Legal withholding requirements;

(III) Environmental protection laws and regulations; and

(IV) Other laws and regulations which expose directors to liability;

8. A regular part of Audit Committee meetings involves the appropriate orientation of new members as well as the continuous education of all members. Items to be discussed include specific business issues as well as new accounting and securities legislation that may impact the organization. The Chair of the Audit Committee will regularly canvass the Audit Committee members for continuous education needs and in conjunction with the Board education program, arrange for such education to be provided to the Audit Committee on a timely basis.

9. On an annual basis the Audit Committee shall review and assess the adequacy of this charter taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommend changes to the Audit Committee charter to the Board for its approval.

## **MEETINGS**

10. The quorum for a meeting of the Audit Committee is a majority of the members of the Audit Committee.

11. The Chair of the Audit Committee shall be responsible for leadership of the Audit Committee, including scheduling and presiding over meetings, preparing agendas, overseeing the preparation of briefing documents to circulate during the meetings as well as pre-meeting materials, and making regular reports to the Board. The Chair of the Audit Committee will also maintain regular liaison with the CEO, CFO, and the lead external audit partner.

12. The Audit Committee will meet in camera separately with each of the CEO and the CFO of the Company at least annually to review the financial affairs of the Company.

13. The Audit Committee will meet with the external auditor of the Company in camera at least once each year, at such time(s) as it deems appropriate, to review the external auditor’s examination and report.

14. The external auditor must be given reasonable notice of, and has the right to appear before and to be heard at, each meeting of the Audit Committee.

15. Each of the Chair of the Audit Committee, members of the Audit Committee, Chair of the Board,

external auditor, CEO, CFO or secretary shall be entitled to request that the Chair of the Audit Committee call a meeting which shall be held within 48 hours of receipt of such request to consider any matter that such individual believes should be brought to the attention of the Board or the shareholders.

#### **REPORTS**

16. The Audit Committee will report, at least annually, to the Board regarding the Audit Committee's examinations and recommendations.

17. The Audit Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.

#### **MINUTES**

19. The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

#### **ANNUAL PERFORMANCE EVALUATION**

20. The Board will conduct an annual performance evaluation of the Audit Committee, taking into account the Charter, to determine the effectiveness of the Committee.

**SCHEDULE "B"**  
**AMPD VENTURES INC.**  
**STOCK OPTION PLAN**

**AMPD VENTURES INC.**

**STOCK OPTION PLAN**

**DATED FOR REFERENCE OCTOBER 11, 2019**

Approved by the board of directors effective on October 17, 2019

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**STOCK OPTION PLAN**

**SECTION 1**

**DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) “**Administrator**” means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, or, if no such person is appointed, the Committee itself.
- (b) “**Associate**” means, where used to indicate a relationship with any person:
  - (i) any relative, including the spouse of that person or a relative of that person's spouse, where the relative has the same home as the person;
  - (ii) any partner, other than a limited partner, of that person;
  - (iii) 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; and
  - (iv) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
- (c) “**Black-Out**” means a restriction imposed by the Company on all or any of its directors, officers, employees, insiders or persons in a special relationship whereby they are to refrain from trading in the Company's securities until the restriction has been lifted by the Company.
- (d) “**Board**” means the board of directors of the Company.
- (e) “**CSE**” means the Canadian Securities Exchange.
- (f) “**Change of Control**” means an occurrence when either:
  - (i) a Person or Entity, other than the current “control person” of the Company (as that term is defined in the *Securities Act*), becomes a “control person” of the Company; or
  - (ii) a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company's then-incumbent Board.

- (g) “**Committee**” means a committee of the Board to which the responsibility of approving the grant of stock options has been delegated, or if no such committee is appointed, the Board itself.
- (h) “**Company**” means AMPD Ventures Inc.;
- (i) “**Consultant**” means an individual who:
  - (i) is engaged to provide, on an ongoing bona fide basis, consulting, technical, management or other services to the Company or any Subsidiary other than services provided in relation to a “distribution” (as that term is described in the *Securities Act*);
  - (ii) provides the services under a written contract between the Company or any Subsidiary and the individual or a Consultant Entity (as defined in clause [(h)(v)] below);
  - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or any Subsidiary; and
  - (iv) has a relationship with the Company or any Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Company or is otherwise permitted by applicable Regulatory Rules to be granted Options as a Consultant or as an equivalent thereof,

and includes:

- (i) a corporation of which the individual is an employee or shareholder or a partnership of which the individual is an employee or partner (a “**Consultant Entity**”); or
  - (ii) an RRSP or RRIF established by or for the individual under which he or she is the beneficiary.
- (j) “**Disability**” means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment which cannot be accommodated under applicable human rights laws without imposing undue hardship on the Company or any Subsidiary employing or engaging the Person, that the Committee, acting reasonably, determines constitutes a disability.
- (k) “**Employee**” means:
- (i) an individual who works full-time or part-time for the Company or any Subsidiary and such other individual as may, from time to time, be permitted by applicable Regulatory Rules to be granted Options as an employee or as an equivalent thereto; or

- (ii) an individual who works for the Company or any Subsidiary either full-time or on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or any Subsidiary over the details and methods of work as an employee of the Company or any Subsidiary, but for whom income tax deductions are not made at source, a

and includes:

- (i) a corporation wholly-owned by such individual; and
  - (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (l) **“Exchange”** means the stock exchange upon which the Company’s shares principally trade.
  - (m) **“Executive”** means an individual who is a director or officer of the Company or a Subsidiary, and includes:
    - (i) a corporation wholly-owned by such individual; and
    - (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
  - (n) **“Exercise Notice”** means the written notice of the exercise of an Option, in the form set out as Schedule B hereto, or by written notice in the case of uncertificated Shares, duly executed by the Option Holder.
  - (o) **“Exercise Period”** means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that the Option has Vested pursuant to the terms and conditions of this Plan and any additional terms and conditions imposed by the Committee, and that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
  - (p) **“Exercise Price”** means the price at which an Option is exercisable as determined in accordance with section 5.3.
  - (q) **“Expiry Date”** means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with sections 5.4, 6.2, 6.3, 6.4 or 11.4.
  - (r) **“Expiry Time”** means the time the Option expires on the Expiry Date, which is 4:00 p.m. local time in Vancouver, British Columbia on the Expiry Date.

- (s) **“Grant Date”** means the date on which the Committee grants a particular Option, which is the date the Option comes into effect provided however that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (t) **“Insider”** means an insider as that term is defined in the *Securities Act*.
- (u) **“Investor Relations Activities”** means any activities, by or on behalf of the Company or shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:
  - (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company
    - (A) to promote the sale of products or services of the Company, or
    - (B) to raise public awareness of the Company, that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
  - (ii) activities or communications necessary to comply with the requirements of:
    - (A) applicable securities laws;
    - (B) Exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
  - (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.
- (v) **“Market Value”** means the market value of the Shares as determined in accordance with section 5.3.
- (w) **“NI 45-106”** means National Instrument 45-106—*Prospectus Exemptions*.

- (x) “**Option**” means an incentive share purchase option granted pursuant to this Plan entitling the Option Holder to purchase Shares of the Company.
- (y) “**Option Certificate**” means the certificate, in substantially the form set out as Schedule A hereto, evidencing the Option.
- (z) “**Option Holder**” means a Person or Entity who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person.
- (aa) “**Outstanding Issue**” means the number of Shares that are outstanding (on a non-diluted basis) immediately prior to the Share issuance or grant of Option in question.
- (bb) “**Person or Entity**” means an individual, natural person, corporation, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.
- (cc) “**Personal Representative**” means:
  - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
  - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder.
- (dd) “**Plan**” means this stock option plan as from time to time amended.
- (ee) “**Pre-Existing Options**” has the meaning ascribed thereto in section 4.1.
- (ff) “**Regulatory Approvals**” means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder.
- (gg) “**Regulatory Authorities**” means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder.
- (hh) “**Regulatory Rules**” means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this

Plan or the Options granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities.

- (ii) “**Related Entity**” means a Person that is controlled by the Company. For the purposes of this Plan, a Person (first person) is considered to control another Person (second person) if the first Person, directly or indirectly, has the power to direct the management and policies of the second person by virtue of
  - (i) ownership of or direction over voting securities in the second Person,
  - (ii) a written agreement or indenture,
  - (iii) being the general partner or controlling the general partner of the second Person, or
  - (iv) being a trustee of the second Person.
- (jj) “**Related Person**” means:
  - (i) a Related Entity of the Company;
  - (ii) a partner, director or officer of the Company or Related Entity;
  - (iii) (iii) a promoter of or Person who performs Investor Relations Activities for the Company or Related Entity; and
  - (iv) any Person that beneficially owns, either directly or indirectly, or exercises voting control or direction over at least 10% of the total voting rights attached to all voting securities of the Company or Related Entity.
- (kk) “**Securities Act**” means the *Securities Act* (British Columbia), RSBC 1996, c.418 as from time to time amended.
- (ll) “**Share**” or “**Shares**” means, as the case may be, one or more common shares without par value in the capital stock of the Company.
- (mm) “**Subsidiary**” means a wholly-owned or controlled subsidiary corporation of the Company.
- (nn) “**Triggering Event**” means:
  - (i) the proposed dissolution, liquidation or wind-up of the Company;
  - (ii) a proposed merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;

- (iii) the proposed acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more Persons or Entities;
  - (iv) a proposed Change of Control of the Company;
  - (v) the proposed sale or other disposition of all or substantially all of the assets of the Company; or
  - (vi) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect.
- (oo) “**Vest**”, “**Vesting**” or “**Vested**” means that a portion of the Option granted to the Option Holder which is available to be exercised by the Option Holder at any time and from time to time.

## **1.2 Choice of Law**

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed solely in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein without giving effect to the conflicts of laws principles thereof and without reference to the laws of any other jurisdiction. The Company and each Option Holder hereby attorn to the jurisdiction of the Courts of British Columbia.

## **1.3 Headings**

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

# **SECTION 2 GRANT OF OPTIONS**

## **2.1 Grant of Options**

The Committee shall, from time to time in its sole discretion, grant Options to such Persons or Entities and on such terms and conditions as are permitted under this Plan.

## **2.2 Record of Option Grants**

The Committee shall be responsible to maintain a record of all Options granted under this Plan and such record shall contain, in respect of each Option:

- (a) the name and address of the Option Holder;
- (b) the category (Executive, Employee or Consultant) under which the Option was granted to him, her or it;

- (c) the Grant Date and Expiry Date of the Option;
- (d) the number of Shares which may be acquired on the exercise of the Option and the Exercise Price of the Option;
- (e) the vesting and other additional terms, if any, attached to the Option; and
- (f) the particulars of each and every time the Option is exercised.

### **2.3 Effect of Plan**

All Options granted pursuant to the Plan shall be subject to the terms and conditions of the Plan notwithstanding the fact that the Option Certificates issued in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to the Plan. The Option Certificates will be issued for convenience only and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

### **2.4 Hold Period**

Pursuant to Exchange Policies, where a hold period is applicable, the Option Certificate will include a legend stipulating that the Option is and the Shares upon the exercise of the Option are subject to a four-month hold period commencing on the date of distribution of the Option.

## **SECTION 3 PURPOSE AND PARTICIPATION**

### **3.1 Purpose of Plan**

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Shares of the Company as long term investments.

### **3.2 Participation in Plan**

The Committee shall, from time to time and in its sole discretion, determine those Executives, Employees and Consultants to whom Options are to be granted.

### **3.3 Limits on Option Grants**

The Company shall only grant Options under this Plan in accordance with Section 10 hereof and, for greater certainty, may not grant any Options under this Plan unless an exemption under NI 45-106 is available. Section 2.24 of NI 45-106 shall not apply to the Plan and all Options granted thereunder to any Employees or Consultants who are engaged in Investor Relations Activities for

the Company, any associated Consultant, any executive officer of the Company, any director of the Company or any permitted assign of those Persons if, after the grant:

- (a) the number of securities, calculated on a fully diluted basis, reserved for issuance under options granted to
  - (i) Related Persons, exceeds 10% of the outstanding securities of the Company, or
  - (ii) a Related Person, exceeds 5% of the outstanding securities of the Company, or
- (b) the number of securities, calculated on a fully diluted basis, issued within 12 months to
  - (i) Related Persons, exceeds 10% of the outstanding securities of the Company, or
  - (ii) a Related Person and the associates of the Related Person, exceeds 5% of the outstanding securities of the Company;

unless the Company obtains security holder approval in accordance with the Regulatory Rules, including the requirements under NI 45-106.

### **3.4 Limits on Option Grants for Investor Relations Activities**

The maximum number of Options which may be granted within a 12 month period to Employees or Consultants engaged in Investor Relations Activities must not exceed 1% of the Outstanding Issue.

### **3.5 Notification of Grant**

Following the granting of an Option, the Administrator shall, within a reasonable period of time, notify the Option Holder in writing of the grant and shall enclose with such notice the Option Certificate representing the Option so granted. In no case will the Company be required to deliver an Option Certificate to an Option Holder until such time as the Company has obtained all necessary Regulatory Approvals for the grant of the Option.

### **3.6 Copy of Plan**

Each Option Holder, concurrently with the notice of the grant of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

### **3.7 Limitation on Service**

The Plan does not give any Option Holder that is an Executive the right to serve or continue to serve as an Executive of the Company or any Subsidiary, nor does it give any Option Holder that

is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company or any Subsidiary.

### **3.8 No Obligation to Exercise**

Option Holders shall be under no obligation to exercise Options.

### **3.9 Agreement**

The Company and every Option Holder granted an Option hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Company to be bound by the terms and conditions of this Plan. In the event that the Option Holder receives his, her or its Options pursuant to an oral or written agreement with the Company or a Subsidiary, whether such agreement is an employment agreement, consulting agreement or any other kind of agreement of any kind whatsoever, the Option Holder acknowledges that in the event of any inconsistency between the terms relating to the grant of such Options in that agreement and the terms attaching to the Options as provided for in this Plan, the terms provided for in this Plan shall prevail and the other agreement shall be deemed to have been amended accordingly.

### **3.10 Notice**

Any notice, delivery or other correspondence of any kind whatsoever to be provided by the Company to an Option Holder will be deemed to have been provided if provided to the last home address, fax number or email address of the Option Holder in the records of the Company and the Company shall be under no obligation to confirm receipt or delivery.

### **3.11 Representation**

As a condition precedent to the issuance of an Option, the Company must be able to represent to the Exchange as of the Grant Date that the Option Holder is a bona fide Executive, Employee or Consultant of the Company or any Subsidiary.

## **SECTION 4 NUMBER OF SHARES UNDER PLAN**

### **4.1 Committee to Approve Issuance of Shares**

The Committee shall approve by resolution the issuance of all Shares to be issued to Option Holders upon the exercise of Options, such authorization to be deemed effective as of the Grant Date of such Options regardless of when it is actually done. The Committee shall be entitled to approve the issuance of Shares in advance of the Grant Date, retroactively after the Grant Date, or by a general approval of this Plan.

### **4.2 Number of Shares**

Subject to adjustment as provided for herein, the number of Shares which will be available for purchase pursuant to Options granted pursuant to this Plan, plus any other outstanding incentive stock options of the Company granted pursuant to a previous stock option plan or agreement,

will not exceed 10% of the Outstanding Issue. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan.

#### **4.3 Fractional Shares**

No fractional shares shall be issued upon the exercise of any Option and, if as a result of any adjustment, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made for the fractional interest.

### **SECTION 5 TERMS AND CONDITIONS OF OPTIONS**

#### **5.1 Exercise Period of Option**

Subject to sections 5.4, 6.2, 6.3, 6.4 and 11.4, the Grant Date and the Expiry Date of an Option shall be the dates fixed by the Committee at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option.

#### **5.2 Number of Shares Under Option**

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option.

#### **5.3 Exercise Price of Option**

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. Notwithstanding the foregoing, the Exercise Price shall not be less than the Market Value of the Shares as of the Grant Date. The Market Value of the Shares for a particular Grant Date shall be determined as follows:

- (a) if the Company's Shares are listed on the CSE, and the Committee determines the CSE to be the Company's primary Exchange, Market Value will be the greater of the closing trading price of the Shares on (i) the trading day prior to the Grant Date and (ii) the Grant Date;
- (b) subject to subparagraph (a) above, for each organized trading facility on which the Shares are listed, Market Value will be the closing trading price of the Shares on the day immediately preceding the Grant Date, and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;
- (c) if the Company's Shares are listed on more than one organized trading facility, the Market Value shall be the Market Value as determined in accordance with subparagraphs (a) or (b) above for the primary organized trading facility on which the Shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;

- (d) subject to subparagraph (a), if the Company's Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee; and
- (e) if the Company's Shares are not listed on any organized trading facility, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee to be the fair value of the Shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length. Notwithstanding anything else contained herein, in no case will the Market Value be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the Grant Date in question.

#### **5.4 Termination of Option**

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, in paragraphs (a) or (b) below or sections 6.2, 6.3, 6.4 or 11.4 of this Plan:

- (a) *Ceasing to Hold Office* - In the event that the Option Holder holds his or her Option as an Executive and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 30th day following the date the Option Holder ceases to hold such position unless the Option Holder ceases to hold such position as a result of:
  - (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
  - (ii) a special resolution having been passed by the shareholders of the Company removing the Option Holder as a director of the Company or any Subsidiary; or
  - (iii) an order made by any Regulatory Authority having jurisdiction to so order,

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position; OR

- (b) *Ceasing to be Employed or Engaged* - In the event that the Option Holder holds his or her Option as an Employee or Consultant and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 30th day following the date the Option Holder ceases to hold such position, unless the Option Holder ceases to hold such position as a result of:
- (i) termination for cause;
  - (ii) resigning his or her position; or
  - (iii) an order made by any Regulatory Authority having jurisdiction to so order,

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position.

In the event that the Option Holder ceases to hold the position of Executive, Employee or Consultant for which the Option was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that Option Holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of this Plan. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the Expiry Date of the Option.

### **5.5 Vesting of Option and Acceleration**

The vesting schedule for an Option, if any, shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Committee may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of this Plan.

### **5.6 Additional Terms**

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of this Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

## **SECTION 6 TRANSFERABILITY OF OPTIONS**

### **6.1 Non-transferable**

Except as provided otherwise in this Section 6, Options are non-assignable and non-transferable.

### **6.2 Death of Option Holder**

In the event of the Option Holder's death, any Options held by such Option Holder shall pass to the Personal Representative of the Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the date of death and the applicable Expiry Date.

### **6.3 Disability of Option Holder**

If the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a director or officer of the Company or a Subsidiary is terminated by the Company by reason of such Option Holder's Disability, any Options held by such Option Holder shall be exercisable by such Option Holder or by the Personal Representative on or before the date which is the earlier of one year following the termination of employment, engagement or appointment as a director or officer and the applicable Expiry Date.

### **6.4 Disability and Death of Option Holder**

If an Option Holder has ceased to be employed, engaged or appointed as a director or officer of the Company or a Subsidiary by reason of such Option Holder's Disability and such Option Holder dies within one year after the termination of such engagement, any Options held by such Option Holder that could have been exercised immediately prior to his or her death shall pass to the Personal Representative of such Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the death of such Option Holder and the applicable Expiry Date.

### **6.5 Vesting**

Unless the Committee determines otherwise, Options held by or exercisable by a Personal Representative shall, during the period prior to their termination, continue to vest in accordance with any vesting schedule to which such Options are subject.

### **6.6 Deemed Non-Interruption of Engagement**

Employment or engagement by the Company shall be deemed to continue intact during any military or sick leave or other bona fide leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Option Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the ninety-first day of such leave.

## **SECTION 7 EXERCISE OF OPTION**

### **7.1 Exercise of Option**

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Administrator the required Exercise Notice, or by written notice in the case of uncertificated Shares, the applicable Option Certificate and a certified cheque or bank draft or wire transfer payable to the Company or its legal counsel in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option. Notwithstanding anything else contained herein, Options may not be exercised during a Black-Out unless the Committee determines otherwise.

### **7.2 Black Out Period**

If an Option expires, terminates or is cancelled (other than an expiry, termination or cancellation pursuant to section 5.4(a)(i), (ii) or (iii) or section 5.4(b)(i) (ii) or (iii) above) within or immediately after a Black-Out, the Holder may elect for the term of such Option to be extended to the date which is ten (10) business days after the last day of the Black-Out; provided, that, the expiration date as extended by this section 7.2 will not in any event be beyond the later of: (i) December 31 of the calendar year in which the Option was otherwise due to expire; and (ii) the 15th day of the third month following the month in which the Option was otherwise due to expire.

### **7.3 Issue of Share Certificates**

As soon as reasonably practicable following the receipt of the notice of exercise as described in section 7.1 and payment in full for the Optioned Shares being acquired, the Administrator will direct its transfer agent to issue to the Option Holder the appropriate number of Shares in either certificate form or at the election of the Option Holder, on an uncertificated basis pursuant to the instructions given by the Option Holder to the Administrator. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Option Holder concurrent with delivery of the Shares.

### **7.4 No Rights as Shareholder**

Until the date of the issuance of the certificate for the Shares purchased pursuant to the exercise of an Option, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the Option, unless the Committee determines otherwise. In the event of any dispute over the date of the issuance of the Shares, the decision of the Committee shall be final, conclusive and binding.

## **7.5 Tax Withholding and Procedures**

Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Option Holder who wishes to exercise an Option must, in addition to following the procedures set out in section 7.1 and elsewhere in this Plan, and as a condition of exercise:

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

## **SECTION 8 ADMINISTRATION**

### **8.1 Board or Committee**

The Plan shall be administered by the Administrator with oversight by the Committee.

### **8.2 Powers of Committee**

The Committee shall have the authority to do the following:

- (a) oversee the administration of the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;
- (c) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Value;
- (d) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
- (e) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;
- (f) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Option Holders without constituting a termination of employment or engagement for purposes of the Plan;

- (g) do the following with respect to the granting of Options:
  - (i) determine the Executives, Employees or Consultants to whom Options shall be granted, based on the eligibility criteria set out in this Plan;
  - (ii) determine the terms of the Option to be granted to an Option Holder including, without limitation, the Grant Date, Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);
  - (iii) subject to any necessary Regulatory Approvals and section 9.2, amend the terms of any Options;
  - (iv) determine when Options shall be granted; and
  - (v) determine the number of Shares subject to each Option;
- (h) accelerate the vesting schedule of any Option previously granted; and
- (i) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

### **8.3 Administration by Committee**

All determinations made by the Committee in good faith shall be final, conclusive and binding upon all persons. The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan.

### **8.4 Interpretation**

The interpretation by the Committee of any of the provisions of the Plan and any determination by it pursuant thereto shall be final, conclusive and binding and shall not be subject to dispute by any Option Holder. No member of the Committee or any person acting pursuant to authority delegated by it hereunder shall be personally liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Committee and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

## **SECTION 9 APPROVALS AND AMENDMENT**

### **9.1 Shareholder Approval of Plan**

If required by a Regulatory Authority or by the Committee, this Plan may be made subject to the approval of the shareholders of the Company as prescribed by the Regulatory Authority. If shareholder approval is required, any Options granted under this Plan prior to such time will not be exercisable or binding on the Company unless and until such shareholder approval is obtained.

## **9.2 Amendment of Option or Plan**

Subject to any required Regulatory Approvals, the Committee may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would:

- (a) materially decrease the rights or benefits accruing to an Option Holder; or
- (b) materially increase the obligations of an Option Holder; then, unless otherwise excepted out by a provision of this Plan, the Committee must also obtain the written consent of the Option Holder in question to such amendment. If at the time the Exercise Price of an Option is reduced the Option Holder is an Insider of the Company, the Insider must not exercise the option at the reduced Exercise Price until the reduction in Exercise Price has been approved by the disinterested shareholders of the Company, if required by the Exchange.

## **SECTION 10 CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES**

### **10.1 Compliance with Laws**

An Option shall not be granted or exercised, and Shares shall not be issued pursuant to the exercise of any Option, unless the grant and exercise of such Option and the issuance and delivery of such Shares comply with all applicable Regulatory Rules, and such Options and Shares will be subject to all applicable trading restrictions in effect pursuant to such Regulatory Rules and the Company shall be entitled to legend the Option Certificates and the certificates for the Shares or the written notice in the case of uncertificated Shares representing such Shares accordingly.

### **10.2 Regulatory Approvals**

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will not permit any Options to be granted without first obtaining the necessary Regulatory Approvals unless such Options are granted conditional upon such Regulatory Approvals being obtained. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each grant of Options hereunder. No Option granted will be exercisable or binding on the Company unless and until all necessary Regulatory Approvals have been obtained. The Committee shall be entitled to amend this Plan and the Options granted hereunder in order to secure any necessary Regulatory Approvals and such amendments will not require the consent of the Option Holders under section 9.2 of this Plan.

### **10.3 Inability to Obtain Regulatory Approvals**

The Company's inability to obtain Regulatory Approval from any applicable Regulatory Authority, which Regulatory Approval is deemed by the Committee to be necessary to complete the grant of Options hereunder, the exercise of those Options or the lawful issuance and sale of any Shares pursuant to such Options, shall relieve the Company of any liability with respect to the failure to complete such transaction.

## **SECTION 11 ADJUSTMENTS AND TERMINATION**

### **11.1 Termination of Plan**

Subject to any necessary Regulatory Approvals, the Committee may terminate or suspend the Plan. Unless earlier terminated as provided in this Section 11, the Plan shall terminate on, and no more Options shall be granted under the Plan after, the tenth anniversary of the date of the Exchange's acceptance of the Plan.

### **11.2 No Grant During Suspension of Plan**

No Option may be granted during any suspension, or after termination, of the Plan. Suspension or termination of the Plan shall not, without the consent of the Option Holder, alter or impair any rights or obligations under any Option previously granted.

### **11.3 Alteration in Capital Structure**

If there is a material alteration in the capital structure of the Company and the Shares are consolidated, subdivided, converted, exchanged, reclassified or in any way substituted for, the Committee shall make such adjustments to this Plan and to the Options then outstanding under this Plan as the Committee determines to be appropriate and equitable under the circumstances, so that the proportionate interest of each Option Holder shall, to the extent practicable, be maintained as before the occurrence of such event. Such adjustments may include, without limitation:

- (a) a change in the number or kind of shares of the Company covered by such Options; and
- (b) a change in the Exercise Price payable per Share provided, however, that the aggregate Exercise Price applicable to the unexercised portion of existing Options shall not be altered, it being intended that any adjustments made with respect to such Options shall apply only to the Exercise Price per Share and the number of Shares subject thereto.

For purposes of this section 11.3, and without limitation, neither:

- (c) the issuance of additional securities of the Company in exchange for adequate consideration (including services); nor
- (d) the conversion of outstanding securities of the Company into Shares shall be deemed to be material alterations of the capital structure of the Company. Any adjustment made to any Options pursuant to this section 11.3 shall not be considered an amendment requiring the Option Holder's consent for the purposes of section 9.2 of this Plan.

#### **11.4 Triggering Events**

Subject to the Company complying with section 11.5 and any necessary Regulatory Approvals and notwithstanding any other provisions of this Plan or any Option Certificate, the Committee may, without the consent of the Option Holder or Holders in question:

- (a) cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event; or
- (b) cause all or a portion of any of the Options granted under the Plan to be exchanged for incentive stock options of another corporation upon the occurrence of a Triggering Event in such ratio and at such exercise price as the Committee deems appropriate, acting reasonably.

Such termination or exchange shall not be considered an amendment requiring the Option Holder's consent for the purpose of section 9.2 of the Plan.

#### **11.5 Notice of Termination by Triggering Event**

In the event that the Committee wishes to cause all or a portion of any of the Options granted under this Plan to terminate on the occurrence of a Triggering Event, it must give written notice to the Option Holders in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Option Holder the opportunity to exercise the vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Company proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject. Furthermore, if any of the Options granted under this Plan are cancelled prior to their Expiry Date, the Company shall not grant new Options to the same Persons or Entities until thirty (30) days have lapsed from the date of cancellation.

#### **11.6 Determinations to be Made By Committee**

Adjustments and determinations under this Section 11 shall be made by the Committee, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.