

AMPD VENTURES INC.

MANAGEMENT PROXY CIRCULAR

As at and dated October 14, 2022 (except as otherwise indicated)

FOR

**THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON THURSDAY, NOVEMBER 24, 2022**

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 24, 2022 (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 webinar or teleconference 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

Join from a PC, Mac, iPad, iPhone or Android device:

Please click this URL to join.

<https://us06web.zoom.us/j/82661466225?pwd=SXQrVEdjYk1tTUdxZD28vZ3Vwa1RLdz09>

Passcode: 2022

OPTION 2: Dial in to the AGM (audio only):

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

US: +1 312 626 6799 or +1 346 248 7799 or +1 386 347 5053 or +1 564 217 2000 or +1 646 558 8656 or +1 646 931 3860 or +1 669 444 9171 or +1 719 359 4580 or +1 720 707 2699 or +1 253 215 8782 or +1 301 715 8592 or +1 309 205 3325

Canada: +1 778 907 2071 or +1 780 666 0144 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

Germany: +49 69 5050 0952 or +49 695 050 2596 or +49 69 7104 9922 or +49 69 3807 9883 or +49 69 3807 9884 or +49 69 5050 0951

Webinar ID: 826 6146 6225

Passcode: 2022

International numbers available: <https://us06web.zoom.us/j/82661466225>

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.olympiustrust.com/pxlogin> . Your proxy or voting instructions must be received no later than 10:00 a.m. (Pacific time) on November 22, 2022 (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 James Hursthouse 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.

REVOCAION 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, 103,708,590 common shares without par value were issued and outstanding, each such share carrying the right to one (1) vote at the Meeting. October 14, 2022 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, 2022, 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.

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 six (6) 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>Anthony Brown ⁽²⁾ 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>6,147,636 Common Shares</p>	<p>Nil Stock Options</p>
<p>Donald Bustin ⁽³⁾ 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>3,793,884 Common Shares</p>	<p>Nil 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>Howard Donaldson⁽¹⁾ Los Angeles, 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, Macmillan/McGraw-Hill School Publishing Company and Vanedge Capital (Venture Capital).</p> <p>Mr. Donaldson is currently CEO of Lunar Owl Consulting, primarily providing business development and consulting services to the video games industry.</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 Chairman and President of DigiBC, the industry association for the digital media industry of British Columbia, from April 2011 to December 2015.</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>Markus Windelen ⁽¹⁾ Oldenburg, Germany <i>Director since October 11, 2019</i></p>	<p>Mr. Windelen 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 is currently Partner at Nordisk Games, an investment company based in Copenhagen/Denmark.</p> <p>Mr. Windelen has been the Managing Director of the European subsidiary of Six Foot, a transmedia entertainment from July 2016 to December 2021.</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>
<p>James Hursthouse ⁽⁴⁾ British Columbia, Canada <i>Director since December 15, 2021</i> <i>Chief Strategy Officer since Oct 11, 2019</i></p>	<p>Mr. Hursthouse is a twenty-year veteran of the global games and digital media sector. He has proven success across content development and publishing, infrastructure and technology for ‘games as a service’, and more recently with new technologies such as mixed reality, blockchain and artificial intelligence. After spending the first half of his career in Asia and Silicon Valley, he moved to Vancouver, BC in 2010 to co-found and be the CEO of Roadhouse Interactive, a mobile gaming studio that grew to 180 people at its peak. Between 2016 and 2018, James served as the Executive Director of DigiBC where he continues to serve on the board. As CSO of AMPD he is tasked with helping drive the organization to achieve its goals and vision.</p>	<p>5,166,008 Common Shares</p>	<p>850,000 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>Tanya Woods ⁽¹⁾ Ontario, Canada <i>Director since September 12, 2022</i></p>	<p>Ms. Woods is a Canadian-American entrepreneur, technology lawyer, and policy leader and experienced entrepreneur working in the verticals of mainstream and digital media, telecommunications, AI, and blockchain, and high-performance computing infrastructure. She is currently the CEO of Futurity Partners, a strategic consulting firm advising public and private sector organizations on exponential and innovative technologies, digital policy, and ESG matters.</p> <p>Ms. Woods has held increasingly senior executive level leadership roles advancing the commercial and regulatory agendas of global technology companies and government for nearly twenty years. She recently served as the founding Managing Director of Canada's first Chamber of Digital Commerce, General Counsel, EVP Regulatory Affairs and Corporate Secretary of Hut 8 Mining Corp., General Counsel of the Entertainment Software Association of Canada, and Regulatory and Copyright Counsel for BCE Inc. She is also currently serving a three-year appointment as an expert advisor to UNESCO in Canada supporting the advancement of the United Nations Sustainable Development Goals and advises a number of blockchain and Web3 focussed start ups.</p>	<p>Nil Common Shares</p>	<p>Nil 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.
- (4) 3,057,090 of these Common Shares are held through 1058976 BC Ltd.; 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.

RE-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 the Stock Option Plan available on SEDAR at www.sedar.com, as set out in Schedule "B" to the Company's Management Proxy Circular dated October 20, 2020 filed on SEDAR on October 29, 2020.

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 re-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, Markus Windelen and Tanya Woods. Howard Donaldson is the Chairman of the Audit Committee. All of the members are financially literate and all 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, Macmillan/McGraw-Hill School Publishing Company and Vanedge Capital (Venture Capital).

Mr. Donaldson is currently CEO of Lunar Owl Consulting, a strategic and financial planning, business development and consulting company primarily for the video games industry. Mr. Donaldson was previously a Partner and CFO for Vanedge Capital in Vancouver where he was involved in fund operations, investment decisions and managed the annual audit. 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 and served as an Audit Director at PricewaterhouseCoopers (PwC).

Markus Windelen graduated from Friedrich Wilhelm University Bonn/Germany with a Master of Arts. Mr. Windelen is currently Partner at Nordisk Games A/S – a Danish investment company where he manages new business activities and holds various board seats at portfolio companies. Mr. Windelen recently served as Managing Director of Six Foot, LLC – a U.S. transmedia entertainment company, where he managed the European business operations and strategic planning. Mr. Windelen previously held the positions of VP Webgames and later COO at Gameforge in Germany.

Tanya Woods studied law and global trade at the London School of Economics, University of Ottawa, and American University Washington College of Law. Ms. Woods' has received recognition as one of IT World's Top Women in FinTech and Blockchain, a Government of Canada Leading TechWoman, CBC Trailblazer, Obama Foundation Global Civic Leader, Toastmasters International Community Leadership Award Recipient, and as a Top 40 Under 40. is currently the CEO of Futurity Partners, a strategic consulting firm advising public and private sector organizations on exponential and innovative technologies, digital policy, and ESG matters. Ms. Woods has held increasingly senior executive level leadership roles advancing the commercial and regulatory agendas of global technology companies and government for nearly twenty years. She recently served as the founding Managing Director of Canada's first Chamber of Digital Commerce, General Counsel, EVP Regulatory Affairs and Corporate Secretary of Hut 8 Mining Corp., General Counsel of the Entertainment Software Association of Canada, and Regulatory and Copyright Counsel for BCE Inc. She is also currently serving a three-year appointment as an expert advisor to UNESCO in Canada supporting the advancement of the United Nations Sustainable Development Goals and advises a number of blockchain and Web3 focussed start ups. Ms. Woods studied law and global trade at the London School of Economics, University of Ottawa, and American University Washington College of Law. Ms. Woods' has received recognition and awards from a number of national and global organizations including IT World's Top Women in FinTech and Blockchain.

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) 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⁽¹⁾	Audit Fees⁽²⁾	Audit-Related Fees	Tax Fees⁽³⁾	All Other Fees⁽⁴⁾
May 31, 2022	\$56,000	\$Nil	\$5,000	\$Nil
May 31, 2021	\$60,000	\$Nil	\$5,000	\$Nil

(1) The aggregate audit fees billed.

(2) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.

(3) 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 years ended May 31, 2022 and 2021.

- (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 ⁽¹⁾	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	2022	\$142,100	Nil	Nil	Nil	Nil	\$142,100
	2021	\$121,662	Nil	Nil	Nil	Nil	\$121,662
John Ross, CFO, Secretary	2022	\$ 34,600	Nil	Nil	Nil	Nil	\$ 34,600
	2021	\$ 39,600	Nil	Nil	Nil	Nil	\$ 39,600
Paul Mari, Vice President, Operations	2022	\$154,600	Nil	Nil	Nil	Nil	\$154,600
	2021	\$117,231	Nil	Nil	Nil	Nil	\$117,231
Donald Bustin, CTO, Director	2022	\$154,600	Nil	Nil	Nil	Nil	\$154,600
	2021	\$117,692	Nil	Nil	Nil	Nil	\$117,692
James Hursthouse ⁽¹⁾ , CSO, Director	2022	\$301,883	Nil	Nil	Nil	Nil	\$301,883
	2021	\$200,026	\$30,000	Nil	Nil	Nil	\$200,026
Ravinder Kang ⁽²⁾ former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Howard Donaldson Director	2022	\$24,000	Nil	Nil	Nil	Nil	\$24,000
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Markus Windelen Director	2022	\$12,000	Nil	Nil	Nil	Nil	\$12,000
	2021	\$12,000	Nil	Nil	Nil	Nil	\$12,000

Tanya Woods ⁽³⁾ Director	2022 2021	\$Nil n/a	Nil n/a	Nil n/a	Nil n/a	Nil n/a	\$Nil n/a
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- (1) Mr. Hursthouse became a Director on December 15, 2021.
- (2) Mr. Kang resigned as a Director on April 14, 2022.
- (3) Ms. Woods became a Director on September 12, 2022.

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, 2022 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

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	1,625,000	2019-06-19	\$0.006	\$0.35	\$0.22	June 30, 2024
John Ross, CFO, Secretary ⁽¹⁾	Options	100,000	2020-06-23	0.19	0.19	\$0.22	June 23, 2025
Donald Bustin, CTO, Director	Warrants	1,625,000	2019-06-19	\$0.006	\$0.35	\$0.22	June 30, 2024
James Hursthouse, CSO ⁽²⁾	Warrants	750,000	2019-06-19	\$0.006	\$0.35	\$0.22	June 30, 2024
	Options	350,000	2020-06-23	0.19	0.19	\$0.22	June 23, 2025 to March 10, 2026
	Options	500,000	2021-03-10	0.25	0.25	\$0.22	
Ravinder Kang Director ⁽³⁾	Options	300,000	2020-06-23	0.19	0.19	\$0.22	June 23, 2025
Howard Donaldson Director ⁽⁴⁾	Options	200,000	2020-06-23	0.19	0.19	\$0.22	June 23, 2025
Markus Windelen Director ⁽⁵⁾	Options	200,000	2020-06-23	0.19	0.19	\$0.22	June 23, 2025

- (1) As at May 31, 2021, Mr. Ross held 100,000 fully vested stock options at an exercise price of \$0.19 expiring June 23, 2025.
- (2) As at May 31, 2021, Mr. Hursthouse held 350,000 fully vested stock options at an exercise price of \$0.19 expiring June 23, 2025, and 500,000 fully vested stock options at an exercise price of \$0.25 expiring March 10, 2026. Mr. Hursthouse became a Director of the Company on December 15, 2021.
- (3) As at May 31, 2021, Mr. Kang held 300,000 fully vested stock options at an exercise price of \$0.19 expiring June 23, 2025. Mr. Kang resigned as a Director of the Company on April 14, 2022.
- (4) As at May 31, 2021, Mr. Donaldson held 200,000 fully vested stock options at an exercise price of \$0.19 expiring June 23, 2025.
- (5) As at May 31, 2021, Mr. Windelen held 200,000 fully vested stock options at an exercise price of \$0.19 expiring June 23, 2025.

Exercise of Compensation Securities

The table below discloses each exercise by a director or named executive officer during the year ended May 31, 2022.

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

Exercise of 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	250,000	May 27, 2022	\$0.006	\$0.006	\$0.165	N/a
Donald Bustin, CTO, Director	Warrants	250,000	May 31, 2022	\$0.006	\$0.006	\$0.170	N/A

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

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

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

Consulting agreement dated July 15th, 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, 2022, 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 2022, 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, 2022:

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans excluding securities reflected in column (a)
	(a)	(b)	(c)
Equity compensation plans approved by securityholders	8,500,000	\$0.26	1,870,859
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	8,500,000	\$0.26	1,870,859

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 19,117,912 common shares representing approximately 18.43% 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 six 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, Ms. Tanya Woods, and Mr. Markus Windelen. The three remaining directors are not considered “unrelated” within the meaning of the Governance Policy: Mr. Anthony Brown (CEO), Mr. Don Bustin (CTO) and Mr. James Hursthouse (CSO). 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.

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.

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.