

**NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR**

**ANNUAL AND SPECIAL MEETING
OF THE SHAREHOLDERS OF
CYTOPHAGE TECHNOLOGIES LTD.**

June 25th, 2024 at 4:15p.m. Toronto time (3:15 p.m. Winnipeg time)

120 Adelaide Street West
24th Floor, United Room
Toronto, ON M5H 1T1



**NOTICE OF ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS OF
CYTOPHAGE TECHNOLOGIES LTD.**

NOTICE IS HEREBY GIVEN that an Annual and Special Meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Shares**”) of Cytophage Technologies Ltd. (the “**Company**”), will be held at:

120 Adelaide Street West
24th Floor – United Room
Toronto, ON M5H 1T1

on Tuesday, June 25th, 2024 at 4:15 p.m. Eastern Time (3:15 p.m. Central Time) for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal year ended December 31, 2023 and the auditors’ report thereon;
2. to fix the number of directors to be elected for the ensuing year at eight (8) persons and to elect directors of the Company for the ensuing year;
3. to re-appoint McGovern Hurley LLP as auditors for the Company for the ensuing year and authorize the Directors to fix the auditors’ remuneration;
4. to consider and if deemed appropriate, to approve, with or without variation, the Company’s proposed new form of Equity Incentive Plan; and
5. to transact such other business as may properly come before the Meeting or any adjournment thereof.

The details of the foregoing matters to be put before the Meeting, as well as further information with respect to voting by proxy, are set forth in the accompanying Circular. The Company’s 2023 audited financial statements, auditors’ report and accompanying management’s discussion and analysis are available for download on the Company’s website: <https://cytophage.com/> or on SEDAR+: www.sedarplus.ca.

The board of directors of the Company have fixed the close of business on May 24th, 2024 as the record date for determination of Shareholders entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof.

If you are a registered Shareholder of the Company and cannot attend the Meeting in-person, please date and sign the enclosed form of proxy and return it in the envelope provided or vote in the manner specified in the form of proxy. **To be valid, proxies must be received by the Company’s registrar and transfer agent TSX Trust Company, prior to 4:15PM Toronto Time (3:15PM Winnipeg Time), on Friday, June 21st, 2024.**

If you are not a registered Shareholder of the Company and receive these materials through your broker or through another intermediary, please complete and return the enclosed voting instruction form in accordance with the instructions provided to you by your broker or intermediary.

The Company encourages all Shareholders who cannot attend the Meeting in-person, to listen to the proceedings via telephone. To listen via telephone, Shareholders may dial: 416-833-0133 or 1-877-385-4099 and enter access code: 8231317 #.

Due to technical limitations, Shareholders who elect to listen to the proceedings of the Meeting via telephone will not be permitted to cast any votes at the Meeting and therefore are strongly recommended to vote their Shares via proxy or voting instruction form (as applicable), prior to the applicable cut-off times.

Dated this 24th day of May, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

“Dr. Steven Theriault”

Director and Chief Executive Officer



**MANAGEMENT INFORMATION CIRCULAR
FOR THE 2024 ANNUAL AND SPECIAL MEETING OF
SHAREHOLDERS OF
CYTOPHAGE TECHNOLOGIES LTD.**
to be held on Tuesday, June 25th, 2024.

This Circular contains information as at May 24th, 2024 unless otherwise stated.

SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management (the “**Management**”) of Cytophage Technologies Ltd. (the “**Company**”), for use at the annual and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of the common shares (the “**Common Shares**” or “**Shares**”) in the capital of the Company, to be held on June 25th, 2024, at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment or postponement thereof.

The Company encourages all Shareholders who cannot attend the Meeting in-person to listen to the proceedings via telephone. To listen via telephone, Shareholders may dial: 416-833-0133 or 1-877-385-4099 and entering access code: 8231317 #.

Shareholders who cannot attend the meeting in person that wish to ensure that their Shares will be voted at the Meeting, must vote their Shares by completing and returning the enclosed form of proxy (the “**Proxy**”) in accordance with the instructions set out in the Proxy and in the Circular, prior to the proxy cut-off on Friday, June 21st, 2024 at 4:15p.m. Toronto time (3:15p.m. Winnipeg time). Registered Shareholders may also vote online by visiting www.voteproxyonline.com and entering the 12-digit control number that's located on the Proxy form.

The enclosed Proxy is solicited by Management. The solicitation will be primarily by mail however, Proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the Proxy are representatives of the Company.

A Shareholder entitled to vote at the Meeting has the right to appoint a person (who need not be a Shareholder) to attend and act on the Shareholder’s behalf at the Meeting other than the persons named in the accompanying Proxy. To exercise this right, a Shareholder shall strike out the names of the persons named in the accompanying Proxy and insert the name of the Shareholder’s nominee in the blank space provided or complete another suitable form of proxy.

A Proxy will not be valid unless it is duly completed, signed and deposited with the Company’s registrar and transfer agent, TSX Trust Company (“**TSX Trust**”) by hand or mail at 301-100 Adelaide St W, Toronto, ON M5H 4H1, or by fax within North America at (416) 595-9593 or via email to tsxtrustproxyvoting@tmx.com, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment or postponement thereof. A Proxy must be signed by the Shareholder or by his or her attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

A Shareholder who has given a Proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by instrument in writing executed by the Shareholder or by his or her attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer and deposited by hand or mail with TSX Trust at the 301-100 Adelaide St W, Toronto, ON M5H 4H1, or by fax within North America at (416) 595-9593 or via email to tsxtrustproxyvoting@tmx.com, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement of it, at which the Proxy is to be used, or to the Chairperson of the Meeting on the day of the Meeting or any adjournment or postponement of it. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

These security holder materials are being sent to both registered Shareholders and non-registered holders of Shares. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name

and address and information about your holdings of Shares, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

VOTING BY PROXYHOLDER

The Common Shares represented by the Proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice on the Proxy with respect to any matter to be acted upon, the Common Shares will be voted accordingly. On any poll, the persons named in the Proxy (the “**Proxyholders**”) will vote the Common Shares in respect of which they are appointed. Where directions are given by the Shareholder in respect of voting for or against any resolution, the Proxyholder will do so in accordance with such direction.

The Proxy, when properly signed, confers discretionary authority on the Proxyholder with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing this Circular, Management is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to Management should properly come before the Meeting, the proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the Proxyholder.

In the absence of instructions to the contrary, the Proxyholders intend to vote the Shares represented by each Proxy, properly executed, in favour of the motions proposed to be made at the Meeting as stated under the headings in this Circular.

Voting Thresholds Required for Approval

To be effective:

- (a) an ordinary resolution must be approved by a simple majority (50% plus 1) of the votes cast on the resolution by Shareholders entitled to vote at the Meeting.
- (b) a special resolution must be approved by a two-thirds (66.67%) of the votes cast on the resolution by Shareholders entitled to vote at the Meeting

In the event a motion proposed at the Meeting requires disinterested Shareholder approval, Shares held by Shareholders of the Company who are also “insiders”, as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

Quorum

No business shall be transacted at the Meeting unless the requisite quorum is present at the commencement of such Meeting, provided that, if a quorum is present at the commencement of the Meeting, a quorum will be deemed to be present during the remainder of the Meeting. Registered Shareholders and duly appointed Proxy holders who attend on the Meeting conference call are considered present for the purpose of determining whether a quorum exists.

ADVICE TO REGISTERED SHAREHOLDERS

Shareholders whose names appear on the records of the Company as the registered holders of Common Shares (the “**Registered Shareholders**”) may choose to vote by Proxy whether or not they are able to attend the Meeting. Registered Shareholders may also vote online by visiting www.voteproxyonline.com and entering the 12-digit control number that's located on the Proxy form.

Registered Shareholders who choose to submit a Proxy may do so by completing, signing, dating and depositing the Proxy with TSX Trust at 301-100 Adelaide St W, Toronto, ON M5H 4H1, or by fax within North America at (416) 595-9593 or via email to tsxtrustproxyvoting@tmx.com, , not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment or postponement thereof. The Proxy may be signed by the Shareholder or by his or her attorney in writing, or, if the Registered Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

Returning your Proxy Form

To be effective, TSX Trust must receive your completed Proxy or voting instruction form no later than 4:15p.m. Toronto time (3:15p.m. Winnipeg time) on June 21st, 2024.

If the Meeting is postponed or adjourned, TSX Trust must receive your completed Proxy not less than 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned or postponed Meeting at which the Proxy is to be used. Late proxies may be accepted or rejected by the Chairperson of the Meeting at their discretion and they are under no obligation to accept or reject a late Proxy. The Chairperson of the Meeting may waive or extend the proxy cut-off without notice.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold Common Shares in their own name.

Shareholders who do not hold their Common Shares in their own name (referred to in this Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by Registered 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 Shareholder by an intermediary, such as a brokerage firm, then, in almost all cases, those Common Shares will not be registered in the Shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder’s intermediary or an agent of that intermediary, and consequently the Shareholder will be a Beneficial Shareholder. In Canada, the vast majority of such Common Shares are registered under the name CDS & Co. (being the registration name for the Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). The directors and officers of the Company do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held. The Common Shares held by intermediaries or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, an intermediary and its agents are prohibited from voting Common Shares for the intermediary’s clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their shares are communicated to the appropriate person.**

Applicable regulatory rules require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders’ meetings. 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 purpose of the Proxy or voting instruction form provided to a Beneficial Shareholder by its broker, agent or nominee is limited to instructing the registered holder of the shares on how to vote such Common Shares on behalf of the Beneficial Shareholder.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications (“**Broadridge**”). Broadridge typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote Common Shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure such Common Shares are voted.**

A Beneficial Shareholder may revoke a Proxy or voting instruction form or a waiver of the right to receive Meeting materials and to vote which has been given to their intermediary at any time by written notice to the intermediary, provided that the intermediary is not required to act on a revocation of a Proxy or voting instruction form or of a waiver of the right to receive Meeting materials and to vote, which is not received by the intermediary at least seven days prior to the Meeting. If you have any questions regarding the voting of Common Shares held through a broker or other intermediary, please contact your broker or other intermediary for assistance.

Beneficial Shareholders who have not objected to their intermediary disclosing certain beneficial ownership information about them to the Company are referred to as “**NOBOs**”. Beneficial Shareholders who have objected to their intermediary disclosing their ownership information to the Company are referred to as “**OBOs**”. In accordance with the requirements of *National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Company has elected not to send the proxy-related materials for use in connection

with the Meeting directly to NOBOs and has distributed copies of the materials to intermediaries for distribution to Beneficial Shareholders pursuant to the “indirect” sending procedures set out in NI 54-101. The Company intends to pay for an intermediary to deliver the proxy related materials and voting instruction forms to NOBOs and OBOs.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed herein, none of the directors or officers of the Company, at any time since the beginning of the Company’s last financial year, nor any proposed nominee for election as a director, or any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting, other than the election of directors and approval of the New Equity Incentive Plan (as defined below). See “*Particulars of Matters to be Acted Upon – Election of Directors*” and “*Particulars of Matters to be Acted Upon – Approval of New Equity Incentive Plan*”.

RECORD DATE, VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

A Shareholder of record at the close of business on May 24, 2024 (the “**Record Date**”) who either personally attends the Meeting or who has completed and delivered a Proxy in the manner and subject to the provisions described above, shall be entitled to vote or to have such Shareholder's Shares voted at the Meeting, or any adjournment or postponement thereof.

The Company's authorized capital consists of an unlimited number of Common Shares without par value. As at the Record Date, the Company had 53,753,355 Common Shares issued and outstanding, each share carrying the right to one vote.

Principal Holders of Voting Securities

To the knowledge of the directors and executive officers of the Company, no persons or companies beneficially own, directly or indirectly, or exercise control or direction over Shares carrying 10% or more of the voting rights attached to all outstanding Shares of the Company which have the right to vote in all circumstances.

STATEMENT OF EXECUTIVE COMPENSATION

The following Statement of Executive Compensation is prepared in accordance with National Instrument Form 51-102F6V – Statement of Executive Compensation – Venture Issuers (“**Form 51-102F6V**”). The purpose of this Statement of Executive Compensation is to provide disclosure of all compensation earned by Named Executive Officers, as such term is defined in Form 51-102F6V (“**NEOs**”) and the directors of the Company.

To make these disclosures more meaningful, the Company has also elected to include similar disclosures for the NEOs and directors of its wholly owned subsidiary Cytophage Technologies Inc. (“**CTI**”), for the three (3) years ended on December 31, 2023, notwithstanding that the Company did not own CTI at the end of its most recently completed financial year.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets out all compensation (excluding compensation securities) paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each NEO and director of the Company for the two most recently completed financial years.

Table of Compensation Excluding Compensation Securities							
Name and Position	Financial Year Ended December 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
William Ollerhead <i>CEO and Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

Grant McCutcheon <i>CFO, Secretary and Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Jack Schoenmakers <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
C. Fraser Elliott <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

The following table sets out all compensation (excluding compensation securities) paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by CTI to each NEO and director of CTI for the two most recently completed financial years.

Table of Compensation Excluding Compensation Securities							
Name and Position	Financial Year Ended December 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Steven Theriault ⁽¹⁾ <i>Chief Executive Officer, Chief Science Officer and Director</i>	2023	\$350,000	-	Nil	Nil	-	\$335,416.59 ⁽¹⁾
	2022	\$350,000	Nil	Nil	Nil	Nil	\$350,000
Michael Graham ⁽²⁾ <i>Former Chief Financial Officer Chief Commercial Officer</i>	2023	\$225,000	-	Nil	Nil	-	\$215,625 ⁽²⁾
	2022	\$225,000	Nil	Nil	Nil	Nil	\$225,000
Julius Kalcevich ⁽³⁾ <i>Chief Financial Officer</i>	2023	\$225,000	-	Nil	Nil	-	\$64,687.50 ⁽³⁾
	2022	N/A	N/A	N/A	N/A	N/A	N/A
Heather Medwick ⁽⁴⁾ <i>Former President Chief Operating Officer</i>	2023	\$200,000	Nil	Nil	Nil	-	\$191,666.59 ⁽⁴⁾
	2022	\$200,000	Nil	Nil	Nil	Nil	\$200,000
Harold Wolkin ⁽⁵⁾ <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Robert Gabor ⁽⁶⁾ , <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Shantha Kodihalli ⁽⁷⁾ , <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Paul Gallagher ⁽⁸⁾ <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Steven Theriault has served as the Chief Executive Officer and as a director of CTI since 2017. Executive deferred salary for one pay period until close of Cuspis transaction in 2024.
- (2) Michael Graham served as the CFO of CTI from 2017 to July 2023 and then transitioned to the role of Chief Commercial Officer. Executive deferred salary for one pay period until close of Cuspis transaction in 2024.
- (3) Julius Kalcevich was appointed Chief Financial Officer of CTI in July 2023. Executive deferred salary for a number of pay periods until close of Cuspis transaction in 2024.
- (4) Heather Medwick served as the President of CTI from 2018 to February 2024 and then transitioned to the role of Chief Operating Officer. Executive deferred salary for one pay period until close of Cuspis transaction in 2024.
- (5) Harold Wolkin has served as a director of CTI since June 25, 2020.
- (6) Robert Gabor has served as a director of CTI since March 19, 2019.
- (7) Shantha Kodihalli has served as a director of CTI since June 25, 2020.
- (8) Paul Gallagher has served as a director of CTI since June 25, 2020.

External Management Companies

None of the Company's or CTI's NEOs or directors provide services to the Company or CTI through a management company.

Stock Options and Other Compensation Securities

During the financial year ended December 31, 2023, the following compensation securities were granted or issued to the directors and NEOs of the Company:

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
William Ollerhead ⁽¹⁾ <i>CEO and Director</i>	-	Nil	-				
Grant McCutcheon ⁽²⁾ <i>CFO, Secretary and Director</i>	-	Nil	-				
Jack Schoenmakers ⁽³⁾ <i>Director</i>	-	Nil	-				
C. Fraser Elliott ⁽⁴⁾ <i>Director</i>	-	Nil	-				

Notes:

- (1) On December 31, 2023, William Ollerhead held 236,441 options to purchase Common Shares of the Company.
- (2) On December 31, 2023, Grant McCutcheon held 202,664 options to purchase Common Shares of the Company.
- (3) On December 31, 2023, Jack Schenmakers held 202,664 options to purchase Common shares of the Company.
- (4) On December 31, 2023, Fraser Elliott held 202,664 options to purchase Common Shares of the Company.

During the financial year ended December 31, 2023, the following compensation securities were granted or issued to the directors and NEOs of CTI:

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
Steven Theriault ⁽¹⁾ <i>Chief Executive Officer, Chief Science Officer and Director</i>	Option	100,000	May 3, 2023	\$1.00	\$1.00	\$1.00	May 3, 2030
Michael Graham ⁽²⁾⁽³⁾ <i>Former Chief Financial Officer, Chief Commercial Officer</i>	-	-	-	-	-	-	-
Julius Kalcevich ⁽⁴⁾⁽⁵⁾ <i>Chief Financial Officer</i>	Option	350,000	October 11, 2023	\$1.00	\$1.00	\$1.00	October 11, 2030
Heather Medwick ⁽⁶⁾⁽⁷⁾ <i>Former President, Chief Operating Officer</i>	-	-	-	-	-	-	-
Harold Wolkin ⁽⁸⁾ <i>Director</i>	Option	120,000	May 3, 2023	\$1.00	\$1.00	\$1.00	May 3, 2030
Robert Gabor ⁽⁹⁾ <i>Director</i>	Option	100,000	May 3, 2023	\$1.00	\$1.00	\$1.00	May 3, 2030
Dr. Shantha Kodihalli ⁽¹⁰⁾ <i>Director</i>	Option	100,000	May 3, 2023	\$1.00	\$1.00	\$1.00	May 3, 2030
Paul Gallagher ⁽¹¹⁾ <i>Director</i>	Option	100,000	May 3, 2023	\$1.00	\$1.00	\$1.00	May 3, 2030
Andrew Hurley <i>Director</i>	Option	60,000	May 3, 2023	\$1.00	\$1.00	\$1.00	May 3, 2030

Notes:

- (1) On December 31, 2023, Steven Theriault held 650,000 options to purchase common shares of CTI, in addition to 5,000,000 warrants to purchase common shares of CTI.
- (2) On December 31, 2023, Michael Graham served as the CFO of CTI from 2017 to July 2023 and then transitioned to the role of Chief Commercial Officer.
- (3) On December 31, 2023, Michael Graham held 500,000 options to purchase common shares of CTI.
- (4) Julius Kalcevich was appointed Chief Financial Officer of CTI in July 2023.
- (5) On December 31, 2023, Julius Kalcevich held 350,000 options to purchase common shares of CTI.

- (6) On December 31, 2023, Heather Medwick held 500,000 options to purchase common shares of CTI. She served as the President of CTI from 2018 to February of 2024 and then transitioned to the role of Chief Operating Officer.
- (7) On December 31, 2023, Heather Medwick held 500,000 options to purchase common shares of CTI.
- (8) On December 31, 2023, Harold Wolkin held 390,000 options to purchase common shares of CTI.
- (9) On December 31, 2023, Robert Gabor held 450,000 options to purchase common shares of CTI.
- (10) On December 31, 2023, Shantha Kodihalli held 350,000 options to purchase common shares of CTI.
- (11) On December 31, 2023, Paul Gallagher held 350,000 options to purchase common shares of CTI.
- (12) On December 31, 2023, Andrew Hurley held 60,000 options to purchase common share of CTI.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by a director or NEO of the Company or CTI during the financial year ended December 31, 2023.

Stock Option Plans and Other Incentive Plans

See “*Particulars of Matters to be Acted Upon - Approval of 2024 Equity Incentive Plan*” for a description of the Company’s Existing Option Plan and proposed 2024 Plan.

Employment, Consulting and Management Agreements

Dr. Steven Theriault, Chief Executive Officer, Chief Science Officer and a Director

Dr. Steven Theriault entered into an employment agreement with CTI dated October 30, 2019, as amended on January 4, 2024, with respect to his role as the Chief Executive Officer and Chief Science Officer of CTI. In consideration for Dr. Theriault’s services, CTI has agreed to: (i) pay a base salary of \$250,000; and (ii) pay a discretionary annual bonus that Dr. Theriault can elect to receive in cash and/or Shares (subject to the approval of the Exchange). If Dr. Theriault’s employment agreement is terminated by CTI without cause or by Dr. Theriault for good reason or upon a change of control of CTI, Dr. Theriault is entitled to receive an amount equal to two (2) times his annual base salary. Effective April 1, 2021, Dr. Theriault’s annual base salary was increased to \$350,000.

Michael Graham, Chief Commercial Officer

Michael Graham entered into an employment agreement with CTI dated June 1, 2018 with respect to Michael’s role as the then Chief Financial Officer of CTI. In consideration for Michael’s services, CTI has agreed to: (i) pay a base salary of \$144,000, to be payable in cash, Shares or a combination of both, at the sole option of Michael; and (ii) pay a discretionary annual bonus. Effective December 15, 2021, Michael’s annual base salary was increased to \$225,000. Michael has since transitioned to the role of Chief Commercial Officer.

Heather Medwick, Chief Operating Officer

Heather Medwick entered into an employment agreement with CTI dated June 1, 2018 with respect to Heather’s role as the President of CTI. In consideration for Heather’s services, CTI has agreed to: (i) pay a base salary of \$144,000, to be payable in cash, Shares or a combination of both, at the sole option of Heather; and (ii) pay a discretionary annual bonus. Effective January 1, 2022, Heather’s annual base salary was increased to \$200,000. Heather has since transitioned to the role of Chief Operating Officer and her base salary was increased to \$225,000 on April 15, 2024.

Julius Kalcevich, Chief Financial Officer

Julius Kalcevich entered into an employment agreement with CTI dated July 4, 2023 with respect to Julius’ role as the Chief Financial Officer of CTI. In consideration for Julius’ services, CTI has agreed to: (i) pay a base salary of \$225,000, to be payable in cash, Shares or a combination of both, at the sole option of Julius; and (ii) pay a discretionary annual bonus.

Oversight and Description of Director and Named Executive Officer Compensation

Overview

From the date of incorporation to December 31, 2023, no compensation was paid to any NEO or director of the Company except for the granting of stock options and the reimbursement of out-of-pocket expenses, in accordance with Exchange policies. CTI was not a reporting issuer at any time during the most recently completed financial year.

Going forward, it is expected that the GNC Committee and the Board will ensure that total compensation paid to all NEOs is fair and reasonable and is consistent with the Company's compensation philosophy. The objective is to establish annual and long-term incentive plans that align compensation and performance, are competitive, are consistent with company objectives and provide an appropriate mix of cash and stock compensation. It is expected that the Company's compensation philosophy will be to foster entrepreneurship at all levels of the organization through, among other things, the granting of stock-based compensation, which could be a significant component of executive compensation. This approach is based on the assumption that the performance of the Company's Share price over the long term is an important indicator of long-term performance.

It is expected that the Compensation philosophy will be based on the following fundamental principles:

- (a) Compensation programs align with shareholder interests – the Company aligns the goals of executives with maximizing long term shareholder value;
- (b) Performance sensitive – compensation for executive officers should be linked to individual performance, company milestones and market performance of the Company and fluctuate with the performance; and
- (c) Offer market competitive compensation to attract and retain talent – the compensation program should provide market competitive pay in terms of value and structure in order to retain existing employees who are performing according to their objectives and to attract new individuals of the highest caliber.

Aggregate compensation for each NEO is expected to be designed to be competitive.

From time to time, on an *ad hoc* basis, it is expected that the GNC Committee will review data related to compensation levels and programs of various companies that are similar in size to the Company and operate within the biotechnology industry. It is expected that the GNC Committee will also rely on the experience of its members as officers and/or directors at other companies in similar lines of business as the Company in assessing compensation levels.

Executive Compensation

The GNC Committee and the Board will hold meetings from time to time to review the compensation of certain officers and members of senior management of the Company. The terms and conditions of any adjustments to terms of employment have not yet been determined and will be subject to the prior approval of the Board. It is anticipated that each NEO will be eligible for an annual incentive award that will have a stock-based and cash-based component, with the amount of the annual incentive award to be aligned with the individual's annual performance, Company milestones and market performance.

Aligning the Interests of the NEOs with the Interests of Shareholders

Transparent, objective and easily verified corporate goals, combined with individual performance goals, is expected to play an important role in creating and maintaining an effective compensation strategy for the NEOs. It is expected that the planned objectives of the Company will be to establish benchmarks and targets for its NEOs which, if achieved, will enhance shareholder value. It is expected that a combination of fixed and variable compensation will be used to motivate executives to achieve overall corporate goals. It is expected that the three basic components of the Company's executive officer compensation program will be: (i) fixed salary; (ii) annual incentives (cash bonus); and (iii) stock and award-based compensation.

It is expected that the fixed salary will comprise a portion of the total cash-based compensation; however, annual incentives and option-based compensation represent compensation that is "at risk" and thus may or may not be paid to the respective executive officer depending on: (i) whether the executive officer is able to meet or exceed their applicable performance targets; and (ii) market performance of the Company's Shares. To date, no specific formulae have been developed to assign a specific weighting to each of these components. Instead, the Company is expected to consider each performance target and the Company's performance and assign compensation based on this assessment and the recommendations of the GNC Committee.

Base Salary

It is expected that the GNC Committee and the Board will approve the salary ranges for the NEOs. The base salary review for each NEO will be based on assessment of factors such as current competitive market conditions, compensation levels within compensation practices of similarly situated companies and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. It is expected that the Company may consider comparative data for the Company's peer group which would be accumulated from a number of external sources including independent consultants. The

Company’s policy for determining salary for executive officers is expected to be consistent with the administration of salaries for all other employees.

Annual Incentives

It is expected that the Company, in its discretion, may award annual incentive awards in order to motivate executives to achieve both short term and long terms corporate goals. It is expected that the GNC Committee and the Board will approve an annual incentive award that could include both a cash-based and stock-based component. The success of NEOs in achieving their individual objectives and their contribution to the Company in reaching its overall goals are to be factors in the determination of their annual bonus. The process will see the CEO provide a recommendation on the awards for the other senior executives to the GNC Committee. The GNC Committee will review the recommendation and provide its recommendation on the annual incentive awards for the senior executive as well as for the CEO to the Board. The Board will make the final decision on the incentive awards.

It is expected that the GNC Committee will assess each NEO’s performance on the basis of their respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Company that arise on a day-to-day basis. This assessment is expected to be used by the GNC Committee in developing its recommendations to the Board with respect to the determination of annual bonuses for the NEOs. It is expected that the Board will rely heavily on the recommendations of the GNC Committee in granting annual incentives.

As Part of the Annual Incentive Awards

The Company intends to grant Options to its directors, officers, employees and consultants, which grants will be subject to the prior approval of the Board. The value of option-based awards will be calculated according to the Black-Sholes valuation methodology in order to quantify the dollar value of the award. Such stock options are expected to be granted under the proposed 2024 Plan, if approved, otherwise they will be granted pursuant to the Existing Option Plan.

Compensation of Executives

It is expected that the Board will approve a targeted annual incentive award for each NEO at the beginning of each financial year. The targeted amounts are expected to be determined by the GNC Committee based on a number of factors, including comparable compensation of similar companies. Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day-to-day corporate activities, is expected to trigger the award of a bonus payment to the NEOs. The NEOs are expected to receive a partial or full incentive payment depending on the number of the predetermined targets met and the GNC Committee’s and the Board’s assessment of overall performance. It is expected that the determination as to whether a target has been met will ultimately be made by the Board and the Board will reserve the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

Director Compensation

The directors of the Company will be remunerated for their services; however, the amounts of such fees have not yet been determined, but will be at the discretion of the Board. It is expected that there will be a stock-based and a cash-based component to directors’ compensation, as well as differential compensation for the Chairman of the Board and the Chairs and members of each Board committee. The value of option-based awards will be calculated according to the Black-Sholes valuation methodology in order to quantify the dollar value of the award. The Board may also grant Options to directors in recognition of the time and effort that such directors devote to the Company.

Pension Plan Benefits

The Company has no plans to provide for defined benefit plans or defined contribution plans, being plans that provide for payments or benefits at, following, or in connection with retirement, or provide for deferred compensation plans.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain information as at the end of the Company’s most recently completed financial year.

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 security holders	5,188,875	\$0.65	186,460
Equity compensation plans not approved by security holders	-	-	-
Total	5,188,875	\$0.65	186,460

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, employees or executive officers of the Company, none of the proposed directors of the Company and none of the associates of such persons is or has been indebted to the Company at any time since the beginning of the Company's last completed financial year. Furthermore, none of such persons were indebted to a third party during such period where their indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the directors or executive officers of the Company, nor any proposed director of the Company, nor any person who beneficially owns, directly or indirectly, shares of the Company or who exercises control or direction over shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed financial year or in any proposed transaction not otherwise disclosed herein which, in either case, has affected or will materially affect the Company, except as disclosed herein.

MANAGEMENT CONTRACTS

No management functions of the Company are performed to any substantial degree by a person other than the Directors or executive officers of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board, the only matters to be brought before the Meeting are set forth in the accompanying Notice of Meeting. These matters are described in more detail under the headings below.

Presentation of Financial Statements

The Board has approved the audited consolidated financial statements for the financial year ended December 31, 2023, together with the auditor’s report thereon. Copies of these financial statements and the related management’s discussion and analysis (“MD&A”) have been sent to all Shareholders and are also available on the SEDAR+ at www.sedarplus.ca.

Appointment and Remuneration of Auditor

McGovern Hurley LLP is the Company’s auditor and was first appointed as the Company’s auditor on December 1, 2023. Management is recommending the re-appointment of McGovern Hurley LLP as auditor for the Company, to hold office until the next annual general meeting of the Shareholders at a remuneration to be fixed by the Board.

Management recommends a vote FOR the appointment of McGovern Hurley LLP as the Company’s auditor to hold office until the next annual general meeting of Shareholders at a remuneration to be fixed by the Board. In the absence of instructions to the contrary, the enclosed Proxy will be voted FOR such resolution.

Election of Directors

The Board currently consists of eight (8) directors. The term of office for each of the present directors of the Company expires at the Meeting. The directors of the Company are elected annually and hold office until the next annual general meeting of the Shareholders or until their successors are elected or appointed. Management proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. **Management recommends a vote FOR the nominees listed in this Circular. In the absence of instructions to the contrary, the enclosed Proxy will be voted FOR such resolution.**

Management does not contemplate that any such nominee will be unable to serve as a director; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, **proxies in favour of management designees will be voted FOR another nominee in their discretion unless the Shareholder has specified in their Proxy that their Common Shares are to be withheld from voting in the election of directors.**

The following table sets out the names of the nominees for election as directors, their jurisdiction of residence, the office(s) they hold within the Company, their principal occupations (and, if not previously elected as a director, their principal occupations during the last five years), the date since when they have been a director of the Company, and the number of Common Shares of the Company which each beneficially owns directly or indirectly or over which control or direction is exercised as of the date of this Circular:

Name, Municipality of Residence	Director Since	Principal Occupation(s) for the last five years.	Number and Percentage of Common Shares held⁽¹⁾
Dr. Steven Theriault <i>Winnipeg, Manitoba</i>	February 2, 2024	Chief Executive Officer of Cytophage Technologies Inc. (2017 to Present)	5,000,000 Common Shares ⁽²⁾ (9.30%)
William Ollerhead ⁽⁵⁾ <i>Toronto, Ontario</i>	September 3, 2019	Managing Director, Ollerhead Capital ⁽³⁾ (2010 to Present)	1,351,298 Common Shares ⁽⁴⁾ (2.51%)
Harold Wolkin ⁽⁵⁾ <i>Toronto, Ontario</i>	February 2, 2024	Independent Corporate Director (2013 to Present)	833,500 Common Shares (1.55%)
Robert Gabor <i>Winnipeg, Manitoba</i>	February 2, 2024	Chair, Public Utilities Board of Manitoba (2016 to Present)	100,000 Common Shares (0.19%)
Dr. Shantha Kodihalli <i>Winnipeg, Manitoba</i>	February 2, 2024	Director, Preclinical Research, Emergent BioSolutions Canada (2014 to Present)	40,000 Common Shares (0.07%)
Michael D. Cochrane <i>Greenwich, Connecticut</i>	April 16, 2024	Managing Partner of Dixford Capital (2016 to Present)	-
John Snisarenko <i>Boston, Massachusetts</i>	May 23, 2024	Independent Corporate Director (July 2019 to Present); Chief Commercial Officer – Oyster Point Pharma (sold to Viatris) (Sept 2019 to July 2022); Group VP and Head of Ophthalmology Franchise – Novartis (July 2019 to Sept 2019); Group VP and Head of Ophthalmology Franchise – Takeda (formerly Shire) (June 2017 to June 2019)	-
Michael Sorkin <i>St. Petersburg, Florida</i>	N/A	Managing Director, Executive VP, VP - KMT Medical and Hollister Inc (sister companies in medical products and services) (2014 to 2023); VP and Regional Commercial Leader, Boston Scientific 1992-2013	-

Notes:

- (1) Information provided by the nominee.
- (2) Shares held through New Leaf Biologics Ltd.; an entity controlled by Dr. Steven Theriault's spouse.
- (3) Ollerhead Capital is a registered business name of Chunkerhead Ltd.
- (4) Comprised of shares held by Mr. Ollerhead, shares held by Chunkerhead Ltd., an entity owned by Mr. Ollerhead and his spouse, and shares held by his spouse, over which he exercises control or direction.
- (5) Member of the Audit and Finance Committee.

Biographies of Board Nominees

Harold Wolkin – Board Chair, Director

Harold Wolkin has over 30 years of experience as an investment banker and financial analyst. Harold has extensive experience in advising CEO's and Boards of Directors of both public and private companies having successfully assisted 50+ companies in going public and acquiring investment growth capital. Harold has taken leadership roles on numerous boards including his current roles as Chair of the Audit Committee of Baylin Technologies and Lead Director of Cipher Pharmaceuticals.

Dr. Steven Theriault - Chief Executive Officer and Director

Dr. Steven Theriault, the founder of Cytophage, is a synthetic biologist with 20 years research and commercial experience in generating biological solutions for biological problems. Steven's research on the Ebola virus contributed to the development of the Canadian Ebola vaccine that was a critical tool in curtailing the 2016 outbreak. As the Chief of the Applied Biosafety Research Program at the Canadian Science Centre for Human and Animal Health, Dr. Theriault worked extensively at the global level on issues related to the efficacy of microbicides in containment laboratories and outbreak areas, genetic systems to evaluate pathogenesis in viral infectious agents, and advances in decontamination. As a professor at the University of Manitoba, Steven has taught numerous courses in microbiology, cell biology, immunology and virology. Steven's interests turned to addressing antimicrobial resistance through the use of bacteriophages, establishing Cytophage Technologies Inc. where Steven is currently the Chief Executive Officer and Chief Science Officer.

Robert Gabor, K.C. – Director

Robert Gabor was called to the bar in 1980, leaving the practice of law after 36 years to accept the position as chair of the Public Utilities Board of Manitoba. As a partner at Aikins, MacAulay and Thorvaldson LLP, Robert was the Head of the Technology Commercialization Unit. Robert's practice covered the areas of administrative law to corporate-commercial and technology law, including intellectual property, cyber security and privacy law. Robert was a founder in 2004 of a technology business accelerator, now known as Manitoba Technology Accelerator (MTA), and served as its Secretary and General Counsel until 2016. Robert was appointed as a commissioner on the Royal Commission on Electoral Reform and Party Financing from 1990-92. Robert is a Past Member of the International Board of Governors of The Hebrew University of Jerusalem. Robert received the Queen's Diamond Jubilee Medal for community services in 2012.

Dr. Shantha Kodihalli – Director

Dr. Shantha Kodihalli is an accomplished R&D executive with 20 years of experience in leading preclinical programs including the development and characterization of animal models, advancement of vaccine and therapeutic against infectious agents, and progressing medical countermeasures for licensure by the FDA. Shantha has an extensive track record of therapeutic drug development against infectious disease targets from the pipeline, preclinical, clinical to licensure. Shantha is accomplished in FDA Animal Rule; Good Laboratory Practices; animal models of infectious disease and acute radiation syndromes; medical countermeasure development for licensure under the Animal rule; pre-IND and IND briefing packages; BLA preparations for submission for both animal rule and traditional licensure pathways for biologicals; government contracting; and contract research organization oversight.

William Ollerhead – Director

William Ollerhead is the principal of Ollerhead Capital, a division of the private investment, management services, and corporate finance consulting company Chunkerhead Ltd., where he serves as the Managing Director. William is also the President of Cuspis Capital Partners Ltd. William has over 30 years of experience in the capital markets and corporate finance field, presently serving as (a) as a director of Thermal Energy International Inc. (TSX-V: TMG), and the chair of TMG's audit committee; and (b) as a director and chief executive officer of Cuspis Capital II Ltd. (TSX-V:CCII.P). William has served on the boards of both public and private companies, and not-for-profit organizations, in various capacities – including chairman, director, and as a member and chair of audit committees.

In 1997, William founded Ollerhead Capital Corporation which, until its sale in December of 2009, provided corporate finance advisory services relating to the structuring and arranging of approximately \$800 million worth of private debt transactions. Prior to 1997, William worked for an independent full-service investment dealer as a member of both its corporate finance, and fixed income sales and trading departments. Prior to that, William worked with two Canadian

institutional investors, MetLife and Sun Life, latterly co-administering approximately \$2 billion in private placement investments. William’s career began in capital markets in 1989 as the equity analyst for the Canadian equity portfolio of MetLife’s Canadian subsidiary. His investment and capital markets experience spans a broad range of industries.

Michael D. Cochrane – Director

Michael D. Cochrane is an investment banking veteran with more than 30 years of M&A and finance experience in both New York and Toronto. During his 20-year career in New York, Michael held coverage and management positions at Goldman, Sachs, Lehman Brothers, Credit Suisse and CIBC World Markets. Michael has specialized in M&A for growth companies focused on industry disruption through unique technologies, innovative business models or consolidation strategies.

Michael is currently the Managing Partner of Dixford Capital, an advisory and investment company which focuses on growing small and mid-sized business through implementing operational, financing and capital allocation strategies. Dixford is presently an investor in Lakeview Mortgage Funding, The Milbrook Corporation, MCC Leasing, Aeris Communications and MacCosham Inc.

Previous positions include Managing Director in New York with UBS’s Global Industrial Group, Managing Director with CIBC World Markets in Toronto and Co-Head of CIBC’s Global Diversified Industries investment banking group. Between 2014 and 2019, Michael taught M&A and Economics courses in the MBA programs at Queen’s University’s Smith School of Business and York University’s Schulich School of Business.

John Snisarenko - Director

John Snisarenko is a 35+ year veteran of the pharmaceutical/biotech industry with specific focus in ophthalmology and eye care, currently serving as an Independent Director, Board Member and Advisor to many start-up and established companies in both Canada and the United States. John’s most recent position was Chief Commercial Officer for Oyster Point Pharma responsible for leading the launch planning, infrastructure building and commercial launch for Tyrvaya.

Prior to Oyster Point, John served as Group Vice President and Head of the Ophthalmics Franchise at Shire (now Takeda), responsible for leading a large, multidisciplinary team in the commercialization of Xiidra. John also served as a member of the Shire Commercial Leadership Team. Prior to joining Shire, John was the VP & Franchise Head responsible for the commercial activities within Genentech’s Ophthalmology (Lucentis) and Rheumatology (Rituxan, Actemra) franchises for 10 years. All three medicines achieved over \$1B in sales in the U.S. marketplace.

John also held various positions of increasing responsibility at CIBA Vision / Novartis Pharma Canada. In his last 9 years there, John served as VP and Business Unit Head for Novartis Ophthalmics, holding general management responsibilities for the Canadian business.

Michael Sorkin – Director

Michael Sorkin brings 30+ years of global commercial experience in medical devices and services, starting up and building diverse and inclusive organizations for KMT Medical, Hollister, and Boston Scientific. Since 1995, Michael has led and has had full P&L responsibility for country and regional commercial operations while living in Europe, Australia/NZ, Japan, Asia, and the US. Most recently, as Managing Director of KMT Medical, Chair of the KMT Management Board, and member of the executive committee, Michael had full P&L responsibility for a 10-country, multi-national homecare business.

Prior to KMT, Michael was Chief Commercial Officer of Hollister (sister company to KMT), a \$1B commercial organization, where revenue and profits grew significantly through the commercialization of groundbreaking new products and by improving leadership and sales and marketing practices. Michael was previously VP Europe for Hollister, and before that, VP of Asia and Latin America. Michael has been a Corporate Officer since 2016 and an EVP since 2018. Previously, during 22 years at Boston Scientific, Michael led rapidly growing businesses in Europe and Asia ranging from start up to \$400M.

Approval of 2024 Equity Incentive Plan

The Company currently has a stock option plan which was first adopted on December 23, 2021 and was later amended on December 1, 2023 (the “**Existing Option Plan**”). Under the rules of the Exchange, the Existing Option Plan, which

is considered a “rolling up to 10%” plan under Exchange policies, must be approved by Shareholders each year. The Existing Option Plan was last approved by the Company’s Shareholders on December 1, 2023. A description of, as well as the full text of, the Existing Option Plan can each be found in the Company’s Management Information Circular dated October 27, 2023 with respect to the annual and special meeting of Shareholders of the Company held on December 1, 2023, which circular is filed on SEDAR+ (www.sedarplus.ca).

In an effort to provide the Company with more flexibility to grant other forms of security-based compensation in addition to stock options, on May 23, 2024 the Board approved a new form of omnibus equity incentive plan (the “**2024 Equity Incentive Plan**” or “2024 Plan”) to replace the Existing Option Plan. Under the rules of the Exchange, the 2024 Plan, which is considered a “rolling up to 10%” plan under Exchange policies, must be approved by Shareholders each year.

At the Meeting, Shareholders will be asked to consider and, if thought advisable, pass an ordinary resolution approving the 2024 Plan in the form set out as Schedule “A” hereto. The 2024 Plan is also subject to the approval of the Exchange and if the Exchange finds the disclosure in this Circular to be inadequate, then the Shareholder approval may not be accepted by the Exchange.

If the 2024 Plan is approved by Shareholders at the Meeting and by the Exchange, all outstanding stock options granted under the Existing Option Plan (collectively, the “**Outstanding Prior Awards**”) will continue to be governed by the Existing Option Plan and all newly granted Options and Performance Based Awards, will be governed by the 2024 Plan. If the 2024 Plan is not approved by Shareholders or the Exchange, the Company will continue to grant stock options under the Existing Option Plan.

The following information is intended as a brief description of the 2024 Plan and is qualified in its entirety by the full text of the 2024 Plan which is attached as Schedule “A” hereto.

Purpose

The purpose of the 2024 Plan is to promote the long-term success of the Company and the creation of Shareholder value by: (i) encouraging the attraction and retention of eligible persons; (ii) encouraging such eligible persons to focus on critical long-term objectives; and (iii) promoting greater alignment of the interests of such eligible persons with the interests of the Company.

The 2024 Plan provides flexibility to the Company to grant equity-based incentive awards in the form of stock options (“**Options**”) as well as restricted share units (“**RSUs**”), performance share units (“**PSUs**”) and deferred share units (“**DSUs**” and, collectively with the RSUs and PSUs, the “**Performance-Based Awards**”) to eligible persons.

Shares Subject to the 2024 Plan

The 2024 Plan provides for the award of equity incentives to eligible persons in the form of Options and Performance-Based Awards representing (together, the “**2024 Plan Awards**”), in the aggregate, up to such number of Shares of the Company, as is equal ten (10%) percent of the issued and outstanding as at the date of each award (including any Outstanding Prior Awards). The 2024 Plan is considered an “evergreen” plan, since the Shares covered by the 2024 Plan Awards (and any Outstanding Prior Awards) which have been exercised, settled or terminated shall be available for subsequent grants under the 2024 Plan and the number of Shares available for issuance pursuant to the 2024 Plan increases as the number of issued and outstanding Shares increases.

Participation Limits

The 2024 Plan provides that:

- (a) unless the Company has obtained disinterested shareholder approval, the maximum aggregate number of Shares issuable to Insiders under the 2024 Plan, within any twelve (12) month period and at any point in time under the 2024 Plan, together with Shares reserved for issuance to insiders under all of the Company’s other Security-Based Compensation Arrangements (as defined in the 2024 Plan), shall not exceed ten (10%) percent of the issued and outstanding Shares (calculated as at the date of any grant);
- (b) unless the Company has obtained disinterested shareholder approval, the maximum aggregate number of Shares issuable to any Participant (as defined in the 2024 Plan) under the 2024 Plan, within any twelve (12) month period, together with Shares reserved for issuance to such Participant (and to Companies wholly-owned by that Participant) under all of the Company’s other Security-Based Compensation Arrangements, shall not exceed five (5%) percent of the issued and outstanding Shares (calculated as at the date of any grant);

- (c) the maximum aggregate number of Shares issuable to any one Consultant (as defined in the 2024 Plan) under the 2024 Plan, within any twelve (12) month period, together with Shares issuable to such Consultant under all of the Company's other Security-Based Compensation Arrangements, shall not exceed two (2%) percent of the issued and outstanding Shares (calculated as at the date of any grant); and
- (d) the maximum aggregate number of Shares issuable pursuant to grants of Options to all investor relation service providers performing investor relations activities under the 2024 Plan, within any twelve (12) month period, shall not in aggregate exceed two (2%) percent of the issued and outstanding Shares (calculated as at the date of any grant). For the avoidance of doubt, persons performing investor relations activities are only eligible to receive Options under the 2024 Plan; they are not eligible to receive any Performance-Based Award or other type of securities-based compensation under the 2024 Plan.

Administration of the 2024 Plan

The 2024 Plan is administered by the Board and the Board has full authority to administer the 2024 Plan, including the authority to interpret and construe any provision of the 2024 Plan and to adopt, amend and rescind such rules and regulations for administering the 2024 Plan as the Board may deem necessary in order to comply with the requirements of the 2024 Plan.

Eligible Persons under the 2024 Plan

When used in connection with the grant of Options, all officers, directors, employees, management company employees and consultants of the Company are eligible to participate in the 2024 Plan. When used in connection with the grant of Performance-Based Awards, all officers, directors, employees, management company employees and consultants of the Company that do not perform investor relations activities are eligible to participate in the 2024 Plan. The extent to which any such individual is entitled to receive a grant of an award pursuant to the 2024 Plan will be determined in the sole and absolute discretion of the Board. Each person who receives a grant under the 2024 Plan is referred to as a "Participant".

Types of Awards

Awards of Options, RSUs, PSUs and DSUs may be made under the 2024 Plan. All of the awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Board, in its sole discretion, subject to such limitations provided in the 2024 Plan, and will generally be evidenced by an award agreement.

Options

An Option entitles a holder thereof to purchase a prescribed number of Shares at an exercise price determined by the Board at the time of the grant of the Option, provided that the exercise price of an Option granted under the 2024 Plan shall not be less than the Discounted Market Price (as defined in the Policies of the Exchange), provided that if an Option is proposed to be granted by the Company after the Company has just been recalled for trading following a suspension or halt, the Company must wait at least ten trading days since the day on which trading in the Company's securities resumes before setting the exercise price for and granting the Option. Each Option shall, unless sooner terminated, expire on a date to be determined by the Board which will not exceed ten (10) years from the date of grant of the Option.

The Board may in its discretion, either at the time of grant or at the time of exercise of an Option, permit the exercise of Options by a Participant (other than a Participant who is providing Investor Relation Services) on a net (cashless) basis whereby Options may be exercised without the Optionee making any cash payment to the Company in which case, the Optionee shall receive only the number of underlying Shares that is equal to the quotient obtained by dividing: (i) the product of the number of Options being exercised multiplied by the difference between the Market Unit Price of the underlying Shares and the exercise price of the subject Options; by (ii) the Market Unit Price of the underlying Shares. As used herein, the "**Market Unit Price**" refers to the value of a Share determined by reference to the five-day volume-weighted average closing price of a Share, for the five (5) trading day period immediately preceding the date of exercise.

The Board may, in its absolute discretion, upon granting Options under the 2024 Plan, specify different time periods following the dates of granting the Options during which the Participant may exercise their Options to purchase Shares and may designate different exercise prices and numbers of Shares in respect of which each Participant may exercise Options during each respective time period. Subject to the discretion of the Board, the Options granted to a Participant

under the 2024 Plan shall vest as determined by the Board on the date of grant of such Options. If the Board does not specify a vesting schedule at the date of grant, then Options granted to persons, other than those conducting investor relations activities, shall vest fully on the date of grant, and in any event in accordance with the policies of the Exchange. Options issued to persons conducting investor relations activities must vest (and shall not otherwise be exercisable) in stages over a minimum of twelve (12) months with no more than 1/4 of the Options vesting in any three (3) month period commencing no earlier than three (3) months after the date of grant.

If the award agreement for the grant of Options so provides, in the event of a change of control (as defined in the 2024 Plan), all Options granted to a Participant shall become fully vested and shall become exercisable by the Participant in accordance with the terms of such award agreement and the 2024 Plan. No acceleration of the vesting of any Options shall be permitted without prior Exchange review and acceptance for Options issued to persons conducting investor relations activities.

Other than as may be set forth in the award agreement for the grant of Options, upon the death of a Participant, any Options granted to such Participant which, prior to the Participant's death, have not vested, will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect; and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any Options granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with 2024 Plan.

Where a Participant's relationship with the Company is terminated by the Company or a subsidiary for cause, all Options granted to the Participant under the 2024 Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant's relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, such that the Participant no longer qualifies as an eligible person, all Options granted to the Participant under the 2024 Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date; provided, however, that any Options granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, voluntary resignation or Retirement, had vested pursuant to the terms of the applicable award agreement will accrue to the Participant in accordance with the 2024 Plan and shall be exercisable by such Participant for a period of 90 days following the date the Participant ceased to be an eligible person, or such longer period as may be provided for in the award agreement or as may be determined by the Board provided such period does not exceed twelve (12) months after the termination date.

Where a Participant becomes afflicted by a disability, all Options granted to the Participant under the 2024 Plan will continue to vest in accordance with the terms of such Options; provided, however, that no Options may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to disability such that the Participant ceases to be an eligible person, all Options granted to the Participant under this Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date; provided, however, that any Options granted to such Participant which, prior to the termination of the Participant's relationship with the Company due to disability, had vested pursuant to terms of the applicable award agreement, will accrue to the Participant in accordance with the 2024 Plan and shall be exercisable by such Participant for a period of 90 days following the date the termination date, or such longer period as may be provided for in the award agreement or as may be determined by the Board.

Restricted Share Units

A RSU is a right awarded to a Participant who does not perform investor relations services, as compensation for employment or consulting services or services as a director or officer, to receive for no additional cash consideration, securities of the Company upon specified vesting criteria being satisfied, and subject to the terms and conditions of the 2024 Plan and the applicable award agreement, and which may be paid in cash and/or Shares. The number of RSUs to be credited to each participant shall be determined by the Board in its sole discretion in accordance with the 2024 Plan. All RSUs will vest and become payable by the issuance of Shares at the end of the restriction period if all applicable restrictions have lapsed, as such restrictions may be specified in the award agreement.

RSUs shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable award agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time a RSU is granted.

The Board shall determine any vesting terms applicable to the grant of RSUs, however, no RSUs may vest before the date that is one (1) year following the date of the award.

If the award agreement so provides, in the event of a change of control (as defined in the 2024 Plan), all restrictions upon any RSUs shall lapse immediately and all such RSUs shall become fully vested in the Participant in accordance with the 2024 Plan.

Other than as may be set forth in the applicable award agreement, upon the death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any RSUs granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable award agreement will accrue to the Participant's estate in accordance with the 2024 Plan.

Where a Participant's relationship with the Company is terminated by the Company or a subsidiary for cause, all RSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant's relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, all RSUs granted to the Participant under the 2024 Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date and the Participant shall have no right, title or interest therein whatsoever; provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, voluntary resignation or retirement, had vested pursuant to the terms of the applicable award agreement will accrue to the Participant in accordance with the 2024 Plan.

Where a Participant becomes afflicted by a disability, all RSUs granted to the Participant under the 2024 Plan will continue to vest in accordance with the terms of such RSUs; provided, however, that no RSUs may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to disability such that the Participant ceases to be an eligible person, all RSUs granted to the Participant under the 2024 Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date and the Participant shall have no right, title or interest therein whatsoever; provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination due to disability, had vested pursuant to terms of the applicable award agreement will accrue to the Participant in accordance with the 2024 Plan.

As soon as practicable after each vesting date of a RSU, the Company shall, at the sole discretion of the Board, either: (a) issue to the Participant from treasury the number of Shares equal to the number of RSUs that have vested; or (b) make a cash payment in an amount equal to the Market Unit Price (as defined in the 2024 Plan) on the next trading day after the vesting date of the RSUs, net of applicable withholdings.

Performance Share Units

A PSU is a right awarded to a Participant who does not perform investor relations services, as compensation for employment or consulting services or services as a director or officer, to receive, for no additional cash consideration, securities of the Company upon specified performance and vesting criteria being satisfied, subject to the terms and conditions of the 2024 Plan and the applicable award agreement, and which may be paid in cash and/or Shares.

Subject to the provisions of the 2024 Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant awards of PSUs to eligible persons that do not perform investor relations activities. The number of PSUs to be awarded to any Participant shall be determined by the Board, in its sole discretion, in accordance with the 2024 Plan. Each PSU shall, contingent upon the attainment of the performance criteria within the performance cycle, represent one Share.

The Board will select, settle and determine the performance criteria (including without limitation the attainment thereof), for purposes of the vesting of the PSUs, in its sole discretion. An award agreement may provide the Board with the right to revise the performance criteria and the award amounts if unforeseen events (including, without limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the performance criteria unfair unless a revision is made.

All PSUs will vest and become payable to the extent that the performance criteria set forth in the award agreement are satisfied in the performance cycle, the determination of which satisfaction shall be made by the Board on the determination date. No PSU may vest before the date that is one year following the date of the award.

If the award agreement so provides, in the event of a change of control (as defined in the 2024 Plan), all PSUs granted to a Participant shall become fully vested in such Participant (without regard to the attainment of any performance criteria) and shall become payable to the Participant in accordance with the 2024 Plan.

Other than as may be set forth in the applicable award agreement and below, upon the death of a Participant, all PSUs granted to the Participant which, prior to the Participant's death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever; provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed.

Where a Participant's relationship with the Company is terminated by the Company or a subsidiary for cause, all PSUs granted to the Participant under the 2024 Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant's relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, all PSUs granted to the Participant which have not vested will, unless the award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date, and the Participant shall have no right, title or interest therein whatsoever; provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable performance have been satisfied in that portion of the performance cycle that has lapsed.

Where a Participant becomes afflicted by a disability, all PSUs granted to the Participant under the 2024 Plan will continue to vest in accordance with the terms of such PSUs; provided, however, that no PSUs may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to disability such that the Participant ceases to be an eligible person, all PSUs granted to the Participant under the 2024 Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date, and the Participant shall have no right, title or interest therein whatsoever; provided, however, that the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed.

Payment to Participants in respect of vested PSUs shall be made after the determination date for the applicable award and in any case within ninety-five (95) days after the last day of the performance cycle to which such award relates. The Company shall, at the sole discretion of the Board, either: (a) issue to the Participant the number of Shares equal to the number of PSUs that have vested on the Determination Date; or (b) make a cash payment in an amount equal to the Market Unit Price (as defined in the 2024 Plan) on the next trading day after the determination date of the PSUs that have vested, net of applicable withholdings.

Deferred Share Units

A DSU is a right granted to a participant who does not perform investor relations services, as compensation for employment or consulting services or services as a director or officer, to receive, for no additional cash consideration, securities of the Company on a deferred basis upon specified vesting criteria being satisfied, subject to the terms and conditions of the 2024 Plan and the applicable award agreement, and which may be paid in cash and/or Shares.

Subject to the provisions of the 2024 Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant awards of DSUs to directors in lieu of fees (including annual Board retainers, chair fees, meeting attendance fees or any other fees payable to a director) or to other eligible persons as compensation for employment or consulting services. The number of DSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with the 2024 Plan. The number of DSUs shall be specified in the applicable award agreement. Each director may elect to receive any or all of his or her fees in DSUs under this Plan.

The number of DSUs shall be calculated by dividing the amount of Fees selected by a director by the Market Unit Price (as defined in the 2024 Plan) on the grant date (or such other price as required under the Policies of the Exchange)

which shall be the 10th business day following each financial quarter end. Any fractional DSU shall be rounded down and no payment or other adjustment will be made with respect to the fractional DSU.

No Deferred Share Units may vest before the date that is one year following the date of the award of the DSU.

Each participant shall be entitled to receive, after the effective date that the Participant ceases to be an eligible person for any reason, on a day designated by the Participant and communicated to the Company by the Participant in writing at least fifteen (15) days prior to the designated day (or such earlier date after the participant ceases to be an eligible person as the participant and the Company may agree, which date shall be no later than the end of the calendar year following the year in which the participant ceases to be an eligible person) and if no such notice is given, then on the first anniversary of the effective date that the Participant ceases to be an eligible person, at the sole discretion of the Board, either: (a) that number of Shares equal to the number of vested DSUs credited to the participant's account, such Shares to be issued from treasury of the Company; or (b) a cash payment in an amount equal to the Market Unit Price on the next trading day after the Participant ceases to be an eligible person of the vested DSUs, net of applicable withholdings.

In the event that the value of a DSU would be determined with reference to a period commencing at a fiscal quarter-end of the Company and ending prior to the public disclosure of interim financial statements for the quarter (or annual financial statements in the case of the fourth quarter), the cash payment of the value of the DSUs will be made to the Participant with reference to the five (5) trading days immediately following the public disclosure of the interim financial statements for that quarter (or annual financial statements in the case of the fourth quarter).

Upon death of a Participant holding DSUs that have vested, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, a cash payment or Shares that would have otherwise been payable in accordance with the 2024 Plan to the Participant upon such Participant ceasing to be an eligible person.

General Provisions of the 2024 Plan

Non-Transferability

No Option or Performance-Based Award and no right under any such Option or Performance-Based Award shall be assignable, alienable, saleable, or transferable by a participant otherwise than by will or by the laws of descent and distribution and only then if permitted by the Policies of the Exchange. No Option or Performance-Based Award and no right under any such Option or Performance-Based Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.

Black-out Periods

In the event that the date provided for expiration, redemption or settlement of an award falls within a blackout period imposed by the Company pursuant to a trading policy as the result of the bona fide existence of undisclosed material information, the expiry date, redemption date or settlement date, as applicable, of the award shall automatically be extended to the date that is ten (10) business days following the date of expiry of the blackout period. Notwithstanding the foregoing, there will be no extension of any award if the Company (or the Participant) is subject to a cease trade order (or similar order under applicable law).

Deductions

Whenever cash is to be paid in respect of DSUs, RSUs or PSUs, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. Whenever Shares are to be delivered in respect of DSUs, RSUs or PSUs, the Company shall have the right to deduct from any other amounts payable to the Participant any taxes required by law to be withheld with respect to such delivery of Shares, or if any payment due to the Participant is not sufficient to satisfy the withholding obligation, to require the Participant to remit to the Company in cash an amount sufficient to satisfy any taxes required by law to be withheld. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement by, all in accordance with the Policies of the Exchange by (a) electing to have the Company withhold from delivery Shares having a value equal to the amount of tax required to be withheld; or (b) delivering (on a form prescribed by the

Company) an irrevocable direction to a securities broker approved by the Company to sell all or a portion of the Shares and deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.

Amendments to the 2024 Plan

The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of Shareholders, amend, suspend, terminate or discontinue the 2024 Plan and may amend the terms and conditions of any Options or Performance-Based Awards granted hereunder, subject to:

- (a) any required disinterested shareholder approval to reduce the exercise price of an Option or Performance-Based Award issued to an insider in accordance with the Policies of the Exchange while the Shares are listed on the Exchange;
- (b) any required approval of any applicable regulatory authority or the Exchange; and
- (c) any approval of Shareholders as required by the Policies of the Exchange or applicable law, provided that Shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:
 - (i) amendments of a “housekeeping nature”;
 - (ii) amendments for the purpose of curing any ambiguity, error or omission in the 2024 Plan or to correct or supplement any provision of the 2024 Plan that is inconsistent with any other provision of the 2024 Plan;
 - (iii) amendments which are necessary to comply with applicable law or the requirements of the Exchange;
 - (iv) amendments respecting administration and eligibility for participation under the 2024 Plan;
 - (v) amendments to the terms and conditions on which Option or Performance-Based Awards may be or have been granted pursuant to 2024 Plan including amendments to the vesting provisions and terms of any Options or Performance-Based Awards;
 - (vi) with the exception of Options granted to persons performing investor relations activities, amendments which alter, extend or accelerate the terms of vesting applicable to any Options or Performance-Based Awards; and
 - (vii) changes to the termination provisions of an Option, Performance-Based Award or the 2024 Plan which do not entail an extension beyond the original fixed term.

Term

The 2024 Plan shall terminate automatically ten (10) years after the Effective Date and may be terminated on any earlier date as provided in the 2024 Plan.

Exchange Approval

The 2024 Plan is also subject to the approval of the Exchange and if the Exchange finds the disclosure in this Circular to be inadequate, then the Shareholder approval may not be accepted by the Exchange.

Accordingly, at the Meeting, Shareholders will be asked to consider and, if thought fit, approve an ordinary resolution to re-approve the adoption of the 2024 Plan (the “**2024 Plan Resolution**”). In order to be effective, an ordinary resolution requires approval by a majority of the votes cast by Shareholders for such resolution. The text of the proposed resolution is set forth below. Unless otherwise directed, the persons named in the enclosed proxy intend to vote **FOR** this resolution to approve the 2024 Plan Resolution;

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. the Company's 2022 Equity Incentive Plan, which provides for the award of equity incentives to eligible persons in the form of stock options, restricted share units, performance share units and deferred share units representing, in the aggregate, up to such number of common shares of the Company as is equal to ten (10%) percent of the issued and outstanding common shares as at the date of each award (the “**2024 Plan**”), in the form attached as Schedule “A” to the management information circular of the Company dated May 24, 2024 be and is hereby confirmed, ratified and approved, and the Company is hereby authorized to grant awards under the 2024 Plan;

2. the board of directors (the “**Board**”) of the Company is hereby authorized to make such amendments to the 2024 Plan from time to time, as may be required by the applicable regulatory authorities, or as may be considered appropriate by the Board, in its sole discretion, provided always that such amendments be subject to the approval of the regulatory authorities, if applicable, and in certain cases, in accordance with the terms of the 2024 Plan, the approval of the Shareholders; and
3. any one director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise and to deliver or to cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as, in the opinion of such director or officer of the Company, may be necessary or desirable to carry out the terms of the foregoing resolutions.

Management recommends that Shareholders vote FOR the approval of the 2024 Plan. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the 2024 Plan Resolution.

OTHER MATTERS

As of the date of this Circular, management knows of no other matters to be acted upon at the Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

AUDIT COMMITTEE DISCLOSURE

The Charter of the Company’s Audit and Finance Committee and other information required to be disclosed by *National Instrument 52-110 – Audit Committees*, is attached to this Circular as Schedule “B”.

CORPORATE GOVERNANCE DISCLOSURE

The information required to be disclosed by *National Instrument 58-101 – Disclosure of Corporate Governance Practices*, is attached to this Circular as Schedule “C”.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR+ (www.sedarplus.ca). Shareholders may contact the Company to request copies of the financial statements and Management Discussion and Analysis. Financial information is provided in the Company’s comparative financial statements and Management Discussion and Analysis for its most recently completed financial year.

Directors’ Approval

The undersigned hereby certifies that the contents and the sending of this Circular to the Shareholders of the Company have been approved by the Board.

DATED at Winnipeg, Manitoba
May 24, 2024

“Dr. Steven Theriault”
Chief Executive Officer & Director

Schedule "A"

2024 Equity Incentive Plan

See Attached.

CYTOPHAGE TECHNOLOGIES LTD.
(the “Company”)

2024 EQUITY INCENTIVE PLAN

SECTION 1
ESTABLISHMENT AND PURPOSE OF THIS PLAN

The purpose of this equity incentive plan (the “Plan”) is to promote the long-term success of the Company and the creation of shareholder value by: (i) encouraging the attraction and retention of Eligible Persons; (ii) encouraging such Eligible Persons to focus on critical long-term objectives; and (iii) promoting greater alignment of the interests of such Eligible Persons with the interests of the Company.

SECTION 2
DEFINITIONS

2.1 Definitions

As used in this Plan, the following terms shall have the meanings set forth below:

- (a) “**Award**” means any award of Options, RSUs, PSUs or DSUs granted under this Plan;
- (b) “**Award Agreement**” means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under this Plan;
- (c) “**Blackout Period**” means a period of time during which the Company prohibits Participants from exercising, redeeming or settling an Award due to the existence of undisclosed material information and pursuant to a formal notice provided by the Company under a trading policy, which Blackout Period must expire promptly following general disclosure of the material information;
- (d) “**Board**” means the board of directors of the Company or, if the context permits, any of its Subsidiaries, as applicable;
- (e) “**Change of Control**” means the acquisition by any person or by any person and a joint actor, whether directly or indirectly, of voting securities (as such terms are interpreted in the *Securities Act*) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a person “acting jointly or in concert” with another person, as that phrase is interpreted in National Instrument 62-103, totals for the first time not less than fifty (50%) percent of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board;
- (f) “**Company**” means Cytophage Technologies Ltd., a company incorporated under the laws of the Province of Ontario, and any of its successors or assigns;
- (g) “**Consultant**” means a Person (other than a Director, Officer or Employee) that:

- (i) is engaged to provide, on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or any Subsidiary of the Company, other than services provided in relation to a distribution (as defined in the *Securities Act*);
- (ii) provides the services under a written contract between the Company or any of its Subsidiaries and the Person, as the case may be; and
- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time on the affairs and business of the Company or any of its Subsidiaries;

and includes:

- (iv) for a Person that is an individual, a corporation of which such individual is the sole shareholder;
- (h) **“Deferred Share Unit”** or **“DSU”** means a right to receive on a deferred basis a payment in either Shares or cash as provided in Section 5.4 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (i) **“Determination Date”** means a date determined by the Board in its sole discretion but not later than 90 days after the expiry of a Performance Cycle;
- (j) **“Director”** means a member of the Company’s Board or the Board of any of its Subsidiaries;
- (k) **“Discounted Market Price”** means the Market Price of the Shares, less a discount of up to 25% if the Market Price is \$0.50 or less; up to 20% if the Market Price is between \$2.00 and \$0.51; and up to 15% if the Market Price is greater than \$2.00;
- (l) **“Disability”** means a permanent disability rendering a Participant unable to perform his duties for the Company for ninety (90) consecutive days or one hundred eighty (180) days in any twelve (12) month period, which determination shall be made after the period of disability, unless an earlier determination can be made, by an independent physician appointed by the Board;
- (m) **“Effective Date”** has the meaning ascribed thereto in Section 8;
- (n) **“Election Form”** means the form to be completed by a Director specifying the amount of Fees he or she wishes to receive in DSUs under this Plan;
- (o) **“Eligible Person”**, when used in connection with Options, means Officers, Directors, Employees, Management Company Employees and Consultants of the Company or any of its Subsidiaries but, when used in connection with PSUs, RSUs or DSUs, means only Officers, Directors, Employees, Management Company Employees and Consultants of the Company or any of its Subsidiaries that do not perform Investor Relations Activities;
- (p) **“Employee”** means an individual who:

- (i) is considered an employee of the Company or any of its Subsidiaries under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;
 - (ii) works full-time for the Company or any of its Subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Company or any of its Subsidiaries over the details and methods of work as an employee of the Company or any of its Subsidiaries, as the case may be, but for whom income tax deductions are not made at source; or
 - (iii) works for the Company or any of its Subsidiaries on a continuing and regular basis for a minimum amount of time per week acceptable to the Exchange, who provides services normally provided by an employee and is subject to the same control and direction by the Company or its Subsidiary over the details and methods of work as an employee of the Company or any of its Subsidiaries, as the case may be, but for whom income tax deductions are not made at source;
- (q) “**Exchange**” means the TSX Venture Exchange, or such other exchange upon which the Shares of the Company may become listed for trading;
- (r) “**Fees**” means the annual Board retainer, chair fees, meeting attendance fees or any other fees payable to a Director;
- (s) “**Grant Date**” means, for any Award, the date specified by the Board as the grant date at the time it grants the Award or, if no such date is specified, the date upon which the Award was actually granted;
- (t) “**Insider**” has the meaning attributed to it in the Securities Act;
- (u) “**Investor Relations Activities**” means any activities, by or on behalf of the Company or a 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; or
 - (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) **“Investor Relations Service Provider”** includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (w) **“Management Company Employee”** means an individual employed by a company providing management services to the Company, which services are required for the ongoing successful operation of the Company’s business enterprise;
- (x) **“Market Price”** means, subject to the exceptions prescribed by the Exchange from time to time, the last closing price of the Company’s shares before the issuance of the required news release disclosing the grant of Awards (but, if the policies of the Exchange provide an exception to such news release, then the last closing price of the Company’s shares before the Grant Date);
- (y) **“Market Unit Price”** means the value of a Share determined by reference to the five-day volume-weighted average closing price of a Share for the five Trading Day period immediately preceding the relevant date;
- (z) **“Officer”** means an officer (as defined in the Securities Act or, where the Securities Act does not apply, by other applicable securities laws) of the Company or any of its Subsidiaries;
- (aa) **“Option”** means incentive share purchase options entitling the holder thereof to purchase Shares;
- (bb) **“Outstanding Prior Awards”** means any outstanding Options or RSUs granted pursuant to any prior Security-Based Compensation Arrangement of the Company;
- (cc) **“Participant”** means any Eligible Person to whom Awards under this Plan are granted;
- (dd) **“Participant’s Account”** means a notional account maintained for each Participant’s participation in this Plan which will show any RSUs, PSUs and/or DSUs credited to a Participant from time to time;
- (ee) **“Performance-Based Award”** means, collectively or as applicable, Performance Share Units, Restricted Share Units and Deferred Share Units;
- (ff) **“Performance Criteria”** means criteria established by the Board which, without limitation, may include criteria based on the Participant’s personal performance and/or financial

performance of the Company and its Subsidiaries, and that are to be used to determine the vesting of Performance Share Units;

- (gg) “**Performance Cycle**” means the applicable performance cycle of the Performance Share Units as may be specified by the Board in the applicable Award Agreement;
- (hh) “**Performance Share Unit**” or “**PSU**” means a right awarded to a Participant, as compensation for employment or consulting services or services as a Director or Officer, to receive, for no additional cash consideration, a payment in Shares and/or cash upon specified vesting criteria being satisfied, all as provided in Section 5.3 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement, and which may be paid in cash and/or Shares;
- (ii) “**Person**” means any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, or governmental authority or body;
- (jj) “**Restriction Period**” means the time period between the Grant Date and the Vesting Date of an Award of Restricted Share Units specified by the Board in the applicable Award Agreement, which period shall be no less than 12 months;
- (kk) “**Restricted Share Unit**” or “**RSU**” means a right awarded to a Participant as compensation for employment or consulting services or services as a Director or Officer, to receive for no additional cash consideration, a payment in Shares and/or cash based wholly or in part on appreciation of the trading price of the Shares, all as provided in Section 5.2 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (ll) “**Retirement**” means retirement from active employment with the Company or a Subsidiary with the consent of an officer of the Company or the Subsidiary;
- (mm) “**Securities Act**” means the *Securities Act* (British Columbia), as amended, from time to time;
- (nn) “**Security-Based Compensation Arrangement**” shall have the meaning ascribed thereto in the rules and policies of the Exchange, or in the event that such term is not defined in the rules and policies of the Exchange, shall mean a stock option plan, including the Option Plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more full-time employees, officers, Insiders, service providers or Consultants of the Company or a Subsidiary, including a share purchase from treasury by a full-time employee, officer, Insider, service provider or Consultant which is financially assisted by the Company or a Subsidiary by way of loan, guarantee or otherwise;
- (oo) “**Shares**” means the common shares of the Company;
- (pp) “**Subsidiary**” means a corporation, company or partnership that is controlled, directly or indirectly, by the Company;
- (qq) “**Termination Date**” means, as applicable:
 - (i) in the event of a Participant’s Retirement, voluntary termination, voluntary resignation or termination of employment as a result of a Disability, the date on

which such Participant ceases to be an employee of the Company or a Subsidiary; and

(ii) in the event of termination of the Participant's employment by the Company or a Subsidiary, the date on which such Participant is advised by the Company or a Subsidiary, in writing or verbally, that his or her services are no longer required;

(rr) **"Trading Day"** means any day on which the Exchange is open for trading; and

(ss) **"Vesting Date"** means in respect of any Award, the date when the Award is fully vested in accordance with the provisions of this Plan and the applicable Award Agreement.

SECTION 3 ADMINISTRATION

3.1 Board to Administer Plan

Except as otherwise provided herein, this Plan shall be administered by the Board of the Company (and, for clarity, not by the Board of any subsidiary of the Company) and the Board of the Company shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administering this Plan as the Board of the Company may deem necessary in order to comply with the requirements of this Plan.

3.2 Delegation to Committee

All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Board, be delegated to and exercised by such committee as the Board may determine.

3.3 Interpretation

All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Company.

3.4 No Liability

No Director shall be personally liable for any action taken or determination or interpretation made or approved in good faith in connection with this Plan and the Directors shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of this Plan and of the rules and regulations established for administering this Plan. All costs incurred in connection with this Plan shall be for the account of the Company.

SECTION 4
SHARES AVAILABLE FOR AWARDS

4.1 Limitations on Shares Available for Issuance

- (a) The aggregate number of Shares issuable under this Plan in respect of Awards, together with all Outstanding Prior Awards, shall not exceed 10% of the Company's total issued and outstanding Shares as at the date of grant or issuance of any security based compensation, and in accordance with the Policies of the Exchange.
- (b) So long as it may be required by the rules and policies of the Exchange:
 - (i) the total number of Shares issuable to any Participant under this Plan, within any twelve-month period, together with Shares reserved for issuance to such Participant (and to Companies wholly-owned by that Participant) under all of the Company's other Security-Based Compensation Arrangements, shall not exceed five (5%) percent of the issued and outstanding Shares (calculated on the Grant Date);
 - (ii) the total number of Shares issuable to Insiders under this Plan within any twelve month period, together with Shares reserved for issuance to Insiders within any twelve-month period and at any time under all of the Company's other Security-Based Compensation Arrangements, shall not exceed ten (10%) percent of the issued and outstanding Shares (calculated on the Grant Date);
 - (iii) unless the Company has obtained disinterested shareholder approval, the maximum aggregate number of Shares issuable to Insiders under this Plan, at any point in time, together with Shares reserved for issuance to Insiders under all of the Company's other Security-Based Compensation Arrangements, shall not exceed ten (10%) percent of the issued and outstanding Shares (calculated on the Grant Date);
 - (iv) the maximum aggregate number of Shares issuable to any one Consultant within any twelve-month period, together with Shares issuable to such Consultant under all of the Company's other Security-Based Compensation Arrangements, shall not exceed two (2%) percent of the issued and outstanding Shares in any twelve-month period, calculated as at the date of any grant; and
 - (v) the maximum aggregate number of Shares issuable pursuant to grants of Options to all Investor Relations Service Providers, together with Shares issuable to all Investor Relations Service Providers under all of the Company's other Security-Based Compensation Arrangements, shall not exceed two percent (2%) of the issued and outstanding Shares in any twelve-month period. For the avoidance of doubt, Investor Relations Service Providers are only eligible to receive Options under this Plan; they are not eligible to receive any Performance-Based Award or other type of security-based compensation under this Plan.

4.2 Accounting for Awards

For purposes of this Section 4:

- (a) if an Award is denominated in Shares, the number of Shares covered by such Award, or to which such Award relates, shall be counted on the Grant Date of such Award against the aggregate number of Shares available for granting Awards under this Plan; and
- (b) notwithstanding anything herein to the contrary, any Shares related to Awards which terminate by expiration, forfeiture, cancellation, or otherwise without the issuance of such Shares, or are exchanged with the Board's permission, prior to the issuance of Shares, for Awards not involving Shares, shall be available again for granting Awards under this Plan.

4.3 Anti-Dilution

If the number of outstanding Shares is increased or decreased as a result of a stock split, consolidation or recapitalization and not as a result of the issuance of Shares for additional consideration or by way of stock dividend, the Board may, subject to the prior acceptance by the Exchange in the event of a recapitalization, make appropriate adjustments to the number and price (or other basis upon which an Award is measured) of Options, RSUs, PSUs or DSUs credited to a Participant. Any determinations by the Board as to the required adjustments shall be made in its sole discretion and all such adjustments shall be conclusive and binding for all purposes under this Plan.

SECTION 5 AWARDS

5.1 Options

- (a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Options to Eligible Persons. Options granted to an Eligible Person shall be credited, as of the Grant Date, to the Participant's Account. The number of Options to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each Option shall, contingent upon the lapse of any restrictions, represent one (1) Share. The number of Options granted pursuant to an Award shall be specified in the applicable Award Agreement.
- (b) Exercise Price - The exercise price of an Option granted under this Plan shall not be less than the Discounted Market Price, provided that if an Option is proposed to be granted after the Company has just been recalled for trading following a suspension or halt, the Company must wait at least ten (10) Trading Days following the day on which trading in the Company's securities resumes before setting the exercise price for and granting the Option.
- (c) Expiry Date - Each Option shall, unless sooner terminated, expire on a date to be determined by the Board which will not exceed 10 years from the Grant Date.
- (d) Different Exercise Periods, Prices and Number - The Board may, in its absolute discretion, upon granting Options under this Plan, specify different time periods following the dates of granting the Options during which the Participant may exercise their Options to purchase

Shares and may designate different exercise prices and numbers of Shares in respect of which each Participant may exercise his option during each respective time period.

- (e) Vesting - Subject to the discretion of the Board, the Options granted to a Participant under this Plan shall vest as determined by the Board on the Grant Date of such Options. If the Board does not specify a vesting schedule on the Grant Date, then Options granted to persons other than those conducting Investor Relations Activities shall vest fully on the Grant Date, and in any event in accordance with the policies of the Exchange. Options issued to Persons conducting Investor Relations Activities must vest (and shall not otherwise be exercisable) in stages over a minimum of 12 months such that:
 - (i) no more than 1/4 of the Options vest no sooner than three months after the Grant Date;
 - (ii) no more than another 1/4 of the Options vest no sooner than six months after the Grant Date;
 - (iii) no more than another 1/4 of the Options vest no sooner than nine months after the Grant Date; and
 - (iv) the remainder of the Options vest no sooner than 12 months after the Grant Date.
- (f) Change of Control – If the Award Agreement so provides, in the event of a Change of Control, all Options granted to a Participant who ceases to be an Eligible Person shall become fully vested in such Participant and shall become exercisable by the Participant in accordance with the terms of the Award Agreement and Section 5.1(l) hereof. If the Participant provides Investor Relations Activities, no acceleration of the vesting of any Options shall be permitted without prior Exchange review and acceptance.
- (g) Death - Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any Options granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any Options granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with Section 5.1(l) hereof.
- (h) Termination of Participant's Relationship with the Company
 - (i) Where a Participant's relationship with the Company is terminated by the Company or a Subsidiary for cause, all Options granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
 - (ii) Where a Participant's relationship with the Company terminates by reason of termination by the Company or a Subsidiary without cause, by voluntary termination, voluntary resignation or due to Retirement by the Participant, such that the Participant no longer qualifies as an Eligible Person, all Options granted to the Participant under this Plan that have not vested will, unless the applicable Award

Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date; *provided, however*, that any Options granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, voluntary resignation or Retirement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.1(l) hereof and shall be exercisable by such Participant for a period of 90 days following the date the Participant ceased to qualify as an Eligible Person, or such longer period (not to exceed 12 months) as may be provided for in the Award Agreement.

- (iii) Upon termination of a Participant's relationship with the Company or a Subsidiary such that the Participant no longer qualifies as an Eligible Person, the Participant's eligibility to receive further grants of Awards of Options under this Plan shall cease as of the Termination Date.
- (i) Disability - Where a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options; *provided, however*, that no Options may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to Disability such that the Participant ceases to be an Eligible Person, all Options granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date; *provided, however*, that any Options granted to such Participant which, prior to the termination of the Participant's relationship with the Company due to Disability, had vested pursuant to terms of the applicable Award Agreement, will accrue to the Participant in accordance with Section 5.1(l) hereof and shall be exercisable by such Participant for a period of 90 days following the date the Termination Date, or such longer period as may be provided for in the Award Agreement.
- (j) Hold Period - In addition to any resale restrictions under applicable legislation or regulation, all Options granted hereunder and all Shares issued on the exercise of such Options will, if applicable under the policies of the Exchange, be subject to a four-month TSX Venture Exchange hold period from the date the options are granted, and the stock option agreements and the certificates representing such Shares will bear the following legend:

"Without prior written approval of the Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date]."
- (k) Notice - Options shall be exercised only in accordance with the terms and conditions of the Award Agreements under which they are respectively granted and shall be exercisable only by notice in writing to the Company at its principal place of business.
- (l) Payment of Award - Subject to any vesting or other limitations described in each individual Award Agreement, Options may be exercised in whole or in part by the Participant at any

time prior to their lapse or termination or, if Section 5.1(g) applies, by the Participant's estate within one year after the death of the Participant, but in such event only as to such number of Shares as have vested prior to the date of the Participant's death. The exercise price of all Options must be paid in cash. Shares purchased by a Participant on exercise of an Option shall be paid for in full at the time of their purchase (i.e. concurrently with the giving of the requisite notice).

(m) Net (Cashless) Exercise

Notwithstanding Section 5.1(n), the Board may in its discretion, either at the time of grant or at the time of exercise of an Option, permit the exercise of Options by a Participant (other than a Participant who is performing Investor Relation Activities) on a net (cashless) basis (a "**Net Exercise**") whereby Options may be exercised without the Optionee making any cash payment to the Company in which case, the Optionee shall receive only the number of underlying Shares that is equal to the quotient obtained by dividing:

(i) the product of the number of Options being exercised multiplied by the difference between the Market Unit Price of the underlying Shares and the exercise price of the subject Options; by

(ii) the Market Unit Price of the underlying Shares.

(n) In the event of a Net Exercise, the number of Options exercised, surrendered or converted, and not the number of Shares actually issued by the Company, shall be included in calculating the limits on the number of Options or Shares that may be issued pursuant to this Plan.

5.2 Restricted Share Units

(a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Restricted Share Units to Eligible Persons that do not perform Investor Relations Activities. Restricted Share Units granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Restricted Share Units to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each Restricted Share Unit shall, contingent upon the lapse of any restrictions, represent one (1) Share. The number of Restricted Share Units granted pursuant to an Award and the Restriction Period in respect of such Restricted Share Units shall be specified in the applicable Award Agreement.

(b) Restrictions - Restricted Share Units shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time an Award is granted.

(c) Vesting - All Restricted Share Units will vest and become payable by the issuance of Shares at the end of the Restriction Period if all applicable restrictions have lapsed, as such restrictions may be specified in the Award Agreement. No Restricted Share Units may vest before the date that is one year following the date of the Award.

- (d) Change of Control – If the Award Agreement so provides, in the event of a Change of Control pursuant to which a Participant ceases to be an Eligible Person, all restrictions upon any Restricted Share Units shall lapse immediately and all such Restricted Share Units shall become fully vested in the Participant and will accrue to the Participant in accordance with Section 5.2(h) hereof.
- (e) Death - Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any Restricted Share Units granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any Restricted Share Units granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with Section 5.2(h) hereof.
- (f) Termination of a Participant's Relationship with the Company
- (i) Where a Participant's relationship with the Company is terminated by the Company or a Subsidiary for cause, all Restricted Share Units granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
- (ii) Where a Participant's relationship with the Company terminates by reason of termination by the Company or a Subsidiary without cause, by voluntary termination, voluntary resignation or due to Retirement by the Participant, all Restricted Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date and the Participant shall have no right, title or interest therein whatsoever; *provided, however,* that any Restricted Share Units granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, voluntary resignation or Retirement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.2(h) hereof.
- (iii) Upon termination of a Participant's relationship with the Company or a Subsidiary such that the Participant no longer qualifies as an Eligible Person, the Participant's eligibility to receive further grants of Awards of Restricted Share Units under this Plan shall cease as of the Termination Date.
- (g) Disability - Where a Participant becomes afflicted by a Disability, all Restricted Share Units granted to the Participant under this Plan will continue to vest in accordance with the terms of such Restricted Share Units; *provided, however,* that no Restricted Share Units may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to Disability such that the Participant ceases to be an Eligible Person, all Restricted Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date and the Participant shall have no right, title or interest

therein whatsoever; *provided, however*, that any Restricted Share Units granted to such Participant which, prior to the Participant's termination due to Disability, had vested pursuant to terms of the applicable Award Agreement will accrue to the Participant in accordance with Section 5.2(h) hereof.

- (h) Payment of Award - As soon as practicable after each Vesting Date of an Award of Restricted Share Units, the Company shall, at the sole discretion of the Board, either:
 - (i) issue to the Participant, or if Section 5.2(e) applies, to the Participant's estate, from treasury the number of Shares equal to the number of Restricted Share Units credited to the Participant's Account that have vested and become payable on the Vesting Date; or
 - (ii) make a cash payment in an amount equal to the Market Unit Price on the next Trading Day after the Vesting Date of the Restricted Share Units credited to a Participant's Account that have vested and become payable, net of applicable withholdings.

As of the Vesting Date, the Restricted Share Units in respect of which such Shares are issued or cash payment made shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such Restricted Share Units.

5.3 Performance Share Units

- (a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Performance Share Units to Eligible Persons that do not perform Investor Relations Activities. Performance Share Units granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Performance Share Units to be credited to each Participant shall be determined by the Board, in its sole discretion, in accordance with this Plan. Each Performance Share Unit shall, contingent upon the attainment of the Performance Criteria within the Performance Cycle, represent one (1) Share. The number of Performance Share Units granted pursuant to an Award, the Performance Criteria which must be satisfied in order for the Performance Share Units to vest and the Performance Cycle in respect of such Performance Share Units shall be specified in the applicable Award Agreement. No Performance Share Units may vest before the date that is one year following the date of the Award.
- (b) Performance Criteria - The Board will select, settle and determine the Performance Criteria (including without limitation the attainment thereof), for purposes of the vesting of the Performance Share Units, in its sole discretion. An Award Agreement may provide the Board with the right, during a Performance Cycle or after it has ended, to revise the Performance Criteria and the Award amounts if unforeseen events (including, without limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the Performance Criteria unfair unless a revision is made. Notices will be provided by the Company to applicable regulatory authorities or stock exchanges as may be required with respect to the foregoing.
- (c) Vesting - All Performance Share Units will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for the Performance

Cycle, the determination of which satisfaction shall be made by the Board on the Determination Date. No Performance Share Units may vest before the date that is one year following the date of the Award.

- (d) Change of Control – If the Award Agreement so provides, in the event of a Change of Control pursuant to which a Participant ceases to be an Eligible Person, all Performance Share Units granted to a Participant shall become fully vested in such Participant (without regard to the attainment of any Performance Criteria) and shall become payable to the Participant in accordance with Section 5.3(h) hereof.
- (e) Death - Other than as may be set forth in the applicable Award Agreement and below, upon the death of a Participant, all Performance Share Units granted to the Participant which, prior to the Participant's death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever; *provided, however*, the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.3(h) hereof.
- (f) Termination of a Participant's Relationship with the Company
 - (i) Where a Participant's relationship with the Company is terminated by the Company or a Subsidiary for cause, all Performance Share Units granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
 - (ii) Where a Participant's relationship with the Company terminates by reason of termination by the Company or a Subsidiary without cause, by voluntary termination, voluntary resignation or due to Retirement by the Participant, all Performance Share Units granted to the Participant which, prior to the Participant's termination, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the Termination Date; *provided, however*, the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.3(h) hereof.
 - (iii) Upon termination of a Participant's relationship with the Company or a Subsidiary such that the Participant no longer qualifies as an Eligible Person, the Participant's eligibility to receive further grants of Awards of Performance Share Units under this Plan shall cease as of the Termination Date.

- (g) Disability - Where a Participant becomes afflicted by a Disability, all Performance Share Units granted to the Participant under this Plan will continue to vest in accordance with the terms of such Performance Share Units; *provided, however*, that no Performance Share Units may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to Disability such that the Participant ceases to be an Eligible Person, all Performance Share Units granted to the Participant under this Plan that have not vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the Termination Date; *provided, however*, that the Board may determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5.3(h) hereof.
- (h) Payment of Award - Payment to Participants in respect of vested Performance Share Units shall be made after the Determination Date for the applicable Award and in any case within ninety-five (95) days after the last day of the Performance Cycle to which such Award relates. Such payments shall be made, at the sole discretion of the Board, either:
- (i) by issuing the number of Shares equal to the number of Performance Share Units credited to the Participant's Account that have vested on the Determination Date, such Shares to be issued from treasury of the Company to the Participant, or if Section 5.3(e) applies, to the Participant's estate; or
- (ii) by making a cash payment in an amount equal to the Market Unit Price on the next Trading Day after the Determination Date of the Performance Share Units credited to a Participant's Account that have vested, net of applicable withholdings.

As of the Vesting Date, the Performance Share Units in respect of which such Shares are issued or cash payment made shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such Performance Share Units.

5.4 Deferred Share Units

- (a) Eligibility and Participation - Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Deferred Share Units to Directors that do not perform Investor Relations Activities in lieu of Fees or to other Eligible Persons that do not perform Investor Relations Activities as compensation for employment or consulting services. Deferred Share Units granted to a Participant in accordance with Section 5.4 hereof shall be credited, as of the Grant Date, to the Participant's Account. The number of Deferred Share Units to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan and shall be specified in the applicable Award Agreement.
- (b) Election - Each Director may elect to receive any or all of his or her Fees in Deferred Share Units under this Plan. Elections by Directors regarding the amount of their Fees that they wish to receive in Deferred Share Units shall be made no later than 90 days after this Plan is

adopted by the Board, and thereafter no later than December 31 of any given year with respect to Fees for the following year. Any Director who becomes a Director during a calendar year and wishes to receive an amount of his or her Fees for the remainder of that year in Deferred Share Units must make his or her election within 60 days of becoming a Director.

- (c) Calculation of Deferred Share Units Granted in Lieu of Fees - The number of Deferred Share Units to be credited to a Participant's Account where the Participant is a Director who has elected to receive Deferred Share Units in lieu of Fees shall be calculated by dividing the amount of Fees selected by a Director in the applicable Election Form by the Market Unit Price on the Grant Date (or such other price as required under Exchange policies) which shall be the 10th business day following each financial quarter end. If, as a result of the foregoing calculation, a Participant that is a Director shall become entitled to a fractional Deferred Share Unit, the Participant shall only be credited with a full number of Deferred Share Units (rounded down) and no payment or other adjustment will be made with respect to the fractional Deferred Share Unit.
- (d) Vesting - No Deferred Share Units may vest before the date that is one year following the date of the Award.
- (e) Payment of Award - Each Participant shall be entitled to receive, after the effective date that the Participant ceases to be an Eligible Person for any reason, on a day designated by the Participant and communicated to the Company by the Participant in writing at least 15 days prior to the designated day (or such earlier date after the Participant ceases to be an Eligible Person as the Participant and the Company may agree, which date shall be no later than one year after the date upon which the Participant ceases to be an Eligible Person) and if no such notice is given, then on the first anniversary of the effective date that the Participant ceases to be an Eligible Person, at the sole discretion of the Board, either:
 - (i) that number of Shares equal to the number of vested Deferred Share Units credited to the Participant's Account, such Shares to be issued from treasury of the Company; or
 - (ii) a cash payment in an amount equal to the Market Unit Price on the next Trading Day after the Participant ceases to be an Eligible Person of the vested Deferred Share Units credited to a Participant's Account, net of applicable withholdings.
- (f) Exception - In the event that the value of a Deferred Share Unit would be determined with reference to a period commencing at a fiscal quarter-end of the Company and ending prior to the public disclosure of interim financial statements for the quarter (or annual financial statements in the case of the fourth quarter), the cash payment of the value of the Deferred Share Units will be made to the Participant with reference to the five (5) Trading Days immediately following the public disclosure of the interim financial statements for that quarter (or annual financial statements in the case of the fourth quarter).
- (g) Death - Upon death of a Participant holding Deferred Share Units that have vested, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, a cash payment or Shares that would have otherwise been payable in accordance with Section 5.4(d) hereof to the Participant upon such Participant ceasing to be an Eligible Person.

5.5 General Terms Applicable to Awards

- (a) Forfeiture Events - The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of a relationship for cause, violation of material Company policies, fraud, breach of non-competition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.
- (b) Awards May be Granted Separately or Together - Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award or any award granted under any other Security-Based Compensation Arrangement of the Company. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with awards granted under any other Security-Based Compensation Arrangement of the Company, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.
- (c) Non-Transferability of Awards - No Award and no right under any such Award shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution and only then if permitted by the Policies of the Exchange. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.
- (d) Conditions and Restrictions Upon Securities Subject to Awards - The Board may provide that the Shares issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Board in its sole discretion may specify, including without limitation, conditions on vesting or transferability and forfeiture or repurchase provisions or provisions on payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including without limitation:
- (i) restrictions under an insider trading policy or pursuant to applicable law;
 - (ii) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant and holders of other Security-Based Compensation Arrangements; and
 - (iii) restrictions as to the use of a specified brokerage firm for such resales or other transfers.
- (e) Blackout Periods – In the event that the date provided for expiration, redemption or settlement of an Award falls within a Blackout Period imposed by the Company pursuant to a trading policy as the result of the bona fide existence of undisclosed Material Information, the expiry date, redemption date or settlement date, as applicable, of the

Award shall automatically be extended to the date that is ten (10) business days following the date of expiry of the Blackout Period. Notwithstanding the foregoing, there will be no

extension of any Award if the Company (or the Participant) is subject to a cease trade order (or similar order under applicable law).

- (f) Share Certificates - All Shares delivered under this Plan pursuant to any Award shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under this Plan or the rules, regulations, and other requirements of any securities commission, the Exchange, and any applicable securities legislation, regulations, rules, policies or orders, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
- (g) Conformity to Plan - In the event that an Award is granted which does not conform in all particulars with the provisions of this Plan, or purports to grant an Award on terms different from those set out in this Plan, the Award shall not be in any way void or invalidated, but the Award shall be adjusted to become, in all respects, in conformity with this Plan.
- (h) Deductions - Whenever cash is to be paid in respect of Deferred Share Units, Restricted Share Units or Performance Share Units, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. Whenever Shares are to be delivered in respect of Deferred Share Units, Restricted Share Units or Performance Share Units, the Company shall have the right to deduct from any other amounts payable to the Participant any taxes required by law to be withheld with respect to such delivery of Shares, or if any payment due to the Participant is not sufficient to satisfy the withholding obligation, to require the Participant to remit to the Company in cash an amount sufficient to satisfy any taxes required by law to be withheld. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement by delivering (on a form prescribed by the Company and in any event in accordance with the Policies of the Exchange) an irrevocable direction to a securities broker approved by the Company to sell all or a portion of the Shares and deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.
- (i) Evergreen Plan - Shares that were the subject of any Award made under this Plan that has been settled in cash, or that has been cancelled, terminated, surrendered, forfeited or has expired without being exercised, and pursuant to which no securities have been issued, may continue to be issuable under this Plan.

5.6 General Terms Applicable to Performance-Based Awards

- (a) Performance Evaluation; Adjustment of Goals - At the time that a Performance-Based Award is first issued, the Board, in the Award Agreement or in another written document, shall specify whether performance will be evaluated including or excluding the effect of any of the following events that occur during the Performance Cycle or Restriction Period, as the case may be:
 - (i) judgments entered or settlements reached in litigation;
 - (ii) the write-down of assets;
 - (iii) the impact of any reorganization or restructuring;

- (iv) the impact of changes in tax laws, accounting principles, regulatory actions or other laws affecting reported results;
 - (v) extraordinary non-recurring items as may be described in the Company's management's discussion and analysis of financial condition and results of operations for the applicable financial year;
 - (vi) the impact of any mergers, acquisitions, spin-offs or other divestitures; and
 - (vii) foreign exchange gains and losses.
- (b) Adjustment of Performance-Based Awards - The Board shall have the sole discretion to adjust the determinations of the degree of attainment of the pre-established Performance Criteria or restrictions, as the case may be, as may be set out in the applicable Award Agreement governing the relevant Performance-Based Award. Notwithstanding any provision herein to the contrary, the Board may not make any adjustment or take any other action with respect to any Performance-Based Award that will increase the amount payable under any such Award. The Board shall retain the sole discretion to adjust PerformanceBased Awards downward or to otherwise reduce the amount payable with respect to any Performance-Based Award.

SECTION 6 AMENDMENT AND TERMINATION

6.1 Amendments and Termination of this Plan

The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of shareholders of the Company, amend, suspend, terminate or discontinue this Plan and may amend the terms and conditions of any Awards granted hereunder, subject to:

- (a) any required disinterested shareholder approval to (i) reduce the exercise price of an Award issued to an Insider or (ii) extend the term of an Option granted to an Insider, in either event in accordance with the policies of the Exchange while the Shares are listed on the Exchange;
- (b) any required approval of any applicable regulatory authority or the Exchange; and
- (c) any approval of shareholders of the Company as required by the rules of the Exchange (or otherwise required by the Exchange) or applicable law, provided that shareholder approval shall not be required (except that the Exchange may require approval of the shareholders for amendments pursuant to Sections 6.1(c)(iii) to 6.1(c)(vii)) for any of the following:
 - (i) amendments of a "housekeeping nature";
 - (ii) amendments for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of this Plan that is inconsistent with any other provision of this Plan;
 - (iii) amendments which are necessary to comply with applicable law or the requirements of the Exchange;

- (iv) amendments respecting administration and eligibility for participation under this Plan;
- (v) amendments to the terms and conditions on which Awards may be or have been granted pursuant to this Plan including amendments to the vesting provisions and terms of any Awards;
- (vi) with the exception of Options granted to any Investor Relations Service Provider, amendments which alter, extend or accelerate the terms of vesting applicable to any Awards; and
- (vii) changes to the termination provisions of an Award or this Plan which do not entail an extension beyond the original fixed term.

If this Plan is terminated, prior Awards shall remain outstanding and in effect in accordance with their applicable terms and conditions.

6.2 Amendments to Awards

The Board may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue, or terminate, any Awards theretofore granted, prospectively or retroactively. No such amendment or alteration shall be made which would impair the rights of any Participant, without such Participant's consent, under any Award theretofore granted, provided that no such consent shall be required with respect to any amendment or alteration if the Board determines in its sole discretion that such amendment or alteration either:

- (a) is required or advisable in order for the Company, this Plan or the Award to satisfy or conform to any law or regulation or to meet the requirements of Policy of the Exchange or any accounting standard; or
- (b) is not reasonably likely to significantly diminish the benefits provided under such Award.

SECTION 7 GENERAL PROVISIONS

7.1 No Rights to Awards

No Person shall have any claim to be granted any Award under this Plan, or, having been selected to receive an Award under this Plan, to be selected to receive a future Award. There is no obligation for uniformity of treatment of Eligible Persons or Participants or beneficiaries of Awards under this Plan. The terms and conditions of Awards need not be the same with respect to each Participant. The Company and each Eligible Person qualifying for an Award are and shall be responsible for ensuring and confirming that each recipient of an Award is a bona fide Eligible Person that qualifies to receive the applicable Award.

7.2 Withholding

The Company shall be authorized to withhold any payment due under any Award or under this Plan until the Participant has paid or made arrangements for the payment of the amount of any

withholding taxes due in respect of an Award, its exercise, or any payment under such Award or under this Plan.

7.3 No Limit on Other Security-Based Compensation Arrangements

Nothing contained in this Plan shall prevent the Company or a Subsidiary from adopting or continuing in effect other Security-Based Compensation Arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

7.4 No Right to Employment

The grant of an Award shall neither constitute an employment contract nor be construed as giving a Participant the right to be retained in the employ of the Company, or to any other relationship with the Company. Further, the Company may at any time dismiss a Participant, free from any liability, or any claim under this Plan, unless otherwise expressly provided in this Plan or in an applicable Award Agreement.

7.5 No Right as Shareholder

Neither the Participant nor any representatives of a Participant's estate shall have any rights whatsoever as shareholders in respect of any Shares covered by such Participant's Options, RSUs, PSUs and/or DSUs until the date of issuance of a share certificate to such Participant or representatives of a Participant's estate for such Shares.

7.6 Governing Law

This Plan and all of the rights and obligations arising hereunder shall be interpreted and applied in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

7.7 Severability

If any provision of this Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction, or as to any Person or Award, or would disqualify this Plan or any Award under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of this Plan or the Award, such provision shall be stricken as to such jurisdiction, Person or Award, and the remainder of this Plan and any such Award shall remain in full force and effect.

7.8 No Trust or Fund Created

Neither this Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured creditor of the Company.

7.9 No Fractional Shares

No fractional Shares shall be issued or delivered pursuant to this Plan or any Award, and the Board shall determine whether cash, or other securities shall be paid or transferred in lieu of any fractional

Shares, or whether such fractional Shares or any rights thereto shall be cancelled, terminated, or otherwise eliminated.

7.10 Headings

Headings are given to the Sections and subsections of this Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof.

7.11 No Representation or Warranty

The Company makes no representation or warranty as to the value of any Award granted pursuant to this Plan or as to the future value of any Shares issued pursuant to any Award.

7.12 No Representations or Covenant with Respect to Tax Qualification

Although the Company may, in its discretion, endeavor to (i) qualify an Award for favourable Canadian tax treatment or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under this Plan.

7.13 Conflict with Award Agreement

In the event of any inconsistency or conflict between the Policies of the Exchange, this Plan and an Award Agreement, the Policies of the Exchange shall govern for all purposes. In the event of any inconsistency or conflict between the provisions of this Plan and an Award Agreement, the provisions of this Plan shall govern for all purposes.

7.14 Compliance with Laws

The granting of Awards and the issuance of Shares under this Plan shall be subject to all applicable laws, rules, and regulations, as well as the Policies of the Exchange as in effect from time-to-time, and to such approvals by any governmental agencies or stock exchanges on which the Company is listed as may be required. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under this Plan prior to:

- (a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
- (b) completion of any registration or other qualification of the Shares under any applicable national or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective.

The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

**SECTION 8
EFFECTIVE DATE OF THIS PLAN**

8.1 Effective Date

This Plan shall become effective upon the date (the “**Effective Date**”) of approval by the Board.

**SECTION 9
TERM OF THIS PLAN**

9.1 Term

This Plan shall terminate automatically 10 years after the Effective Date and may be terminated on any earlier date as provided in Section 6 hereof.

Schedule “B”

AUDIT AND FINANCE COMMITTEE DISCLOSURE

Form 52-110F2 Audit Committee Disclosure (Venture Issuers)

The following disclosure meets the requirements of *National Instrument 52-110 - Audit Committees* (“NI 52-110”), for issuers who are “*venture issuers*” (as such term is defined in NI 52-110).

1. The Audit and Finance Committee Charter

The Board of Directors (the “**Board**”) of Cytophage Technologies Ltd. (the “**Company**”) has established an Audit and Finance Committee (the “**Committee**”). The roles and responsibilities of the Committee are outlined in this charter.

Membership

The Committee will consist of at least three (3) Board members, at least a majority of which shall be independent Board members, who can all read and understand financial statements and are otherwise financially literate, including:

- At least one member with financial expertise either as a qualified accountant or other financial professional with experience in financial and accounting matters; and
- At least one member who has an understanding of the industry in which the Company operates.

Chairman

The Committee will appoint an independent director, other than the Chairman of the Board, to be the Chairman of the Committee (the “**Committee Chair**”). The Committee Chair is responsible for the following:

- Providing the necessary direction required for the Committee to undertake its role effectively;
- Overseeing the preparation of Committee agendas and briefing papers and ensuring that all required matters are brought before the Committee and that all the Committee members receive timely and accurate information so that they can make informed decisions on matters under the Committee’s responsibility;
- Reporting to the Board on the matters reviewed by the Committee and on any decisions or recommendations of the Committee in accordance with this charter;
- Reviewing the expense reports of the Chairman of the Board;
- Carrying out any special assignments or functions as requested by the Board.

Secretary

The Secretary of the Committee may, but need not be a member of the Committee. Unless otherwise determined by the Committee, the Corporate Secretary of the Company will be the Secretary of the Committee.

Other Attendees

The Chief Financial Officer as well as other members of senior management may be invited to be present for all or part of the meetings of the Committee, but will not be members of the Committee.

Representatives of the external auditor are expected to attend each meeting of the Committee and at least once a year the Committee shall meet with the external auditors without any management, executives or staff present.

Quorum

A quorum for any meeting of the Committee will be two (2) members.

Meetings

Committee meetings will be held not less than four (4) times a year so as to enable the Committee to undertake its role effectively. In addition, the Committee Chair is required to call a meeting of the Committee if requested to do so by any member of the Committee, the Chief Financial Officer or the external auditor.

Authority

The Committee is authorised by the Board to investigate any activity within its charter. The Committee will have access to management and to the external and internal auditors with or without management present and has rights to seek explanations and additional information. It is authorised to seek any information it requires from any employees and all employees are directed to cooperate with any request made by the Committee.

The Committee is authorised by the Board to obtain outside legal or other independent professional advice, to set and pay the compensation for such legal or other advisors and to secure the attendance of advisors with relevant experience and expertise if it considers this necessary.

The Committee is required to make recommendations to the Board on all matters within the Committee's charter.

Reporting Procedures

The Committee will keep minutes of its meetings. The minutes of each Committee meeting will be drafted by the Secretary of the Committee or such other secretary of the meeting as shall be delegated by the Secretary or appointed by the Committee from time to time. The Secretary of the Committee shall circulate the minutes of the meetings of the Committee to all members of the Committee for comment and change before being signed by the Committee Chair. A report is to be made by the Committee Chair at the Board meeting following the Committee meeting along with any recommendations of the Committee.

Duties and Responsibilities of the Committee

The purpose of the Committee is to assist the Board in fulfilling its obligations and oversight responsibilities relating to financial planning, the audit process, financial reporting, the system of corporate controls and risk management and, when required, to make recommendations to the Board. In particular, the Committee has the following duties:

Financial Statements and Information

- To review the audited annual and unaudited half-yearly and quarterly financial statements and any press releases and reports which accompany published financial statements (including management's discussion and analysis, related press releases and conference call presentations) before submission to the Board, recommending their approval, focusing particularly on:
 - Any changes in accounting policies and practices;
 - Major judgmental areas;
 - Significant adjustments, accounting and financial reporting issues resulting from the internal and external audit;
 - Compliance with accounting policies and standards; and
 - Compliance with legal requirements.

- To review any financial outlook or future-oriented financial information disclosed by the Company before submission to the Board, recommending their approval, focusing on reasonableness of assumptions used and appropriateness of disclosure.
- To review any periodic report, announcement or press release containing financial information that is not audited or reviewed by an external auditor, before submission to the Board, recommending their approval.

Related Party Transactions

- To review and monitor any related party transactions.

External Audit Function

- To recommend to the Board the appointment of the external auditor.
- Each year, to review the appointment of the external auditor, their independence, the audit fee, and any questions of resignation or dismissal.
- To discuss with the external auditor before the audit commences the nature and scope of the audit.
- To meet privately with the external auditor on at least an annual basis.
- To determine that no management restrictions are being placed upon external auditor.
- To discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary).
- To review the external auditor's management letter and management's response and resolve any disagreement between management and the external auditor regarding financial reporting.
- To review any regulatory reports on the Company's operations and management's response.
- To pre-approve all non-audit services to be provided to the Company and its subsidiaries by the external auditor in accordance with National Instrument 52-110 - Audit Committees.
- To review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

Communication

- Providing, through regular meetings, a forum for communication between the Board, senior financial management, staff involved in internal control procedures and the external auditors.
- Enhancing the credibility and objectivity of financial reports with other interested parties, including creditors, key stakeholders and the general public.
- Establishing procedures for the receipt, retention and treatment of complaints and concerns regarding accounting, internal accounting controls and auditing matters and ensuring a mechanism for the confidential treatment of such complaints and reports including the ability to submit them anonymously, and publicise such procedures in the Company's Code of Conduct or another policy made available to all employees and the public.

Assessment of Effectiveness

- To evaluate the adequacy and effectiveness of the Company's administrative, operating and accounting policies through active communication with operating management and the external auditors.

Oversight of the Risk Management System

- To oversee the establishment and implementation by management of a system for identifying, assessing, monitoring and managing material risk throughout the Company, including the Company's internal compliance and control systems.
- To review at least annually the Company's risk management systems to ensure the exposure to the various categories of risk are minimised.
- To evaluate the Company's exposure to fraud.
- To take an active interest in ethical considerations regarding the Company's policies and practices.
- To monitor the standard of corporate conduct in areas such as arms-length dealings and likely conflicts of interest.
- To identify and direct any special projects or investigations deemed necessary.
- To ensure that roles within the Company are filled by employees or contractors with skills, training, qualifications and experience suitable for each role, especially in areas of the business which are regulated by statute or regulation.
- To ensure a safe working culture is sustained in the workforce.
- To determine the Company's risk profile describing the material risks, including both financial and non-financial matters, facing the Company, regularly review and update the risk profile, and ensure material risk factors are appropriately disclosed in the Company's annual and interim reports and the Company's annual information form.

Financial Oversight and Planning

- To work with the Chief Financial Officer on financial and investment strategy, budget setting, evaluation of financial performance, annual accounts, investment activity, consideration of capital and operational expenditures and revenue requirements, including:
 - to review the Company's capital plan and offer guidance and advice on the sources and uses of capital and expected returns;
 - to review the Company's quarterly financial statements, resource allocation plans (including comparisons to actual results), liquidity status, status of significant operating and revenue investment plans, and other financial information concerning the Company;
 - to prepare and review the Committee's financial policies, capital structure and strategy for acquiring financial resources and make appropriate recommendations to the Board
 - to review the Company's share repurchase activities and plans and the dividend policy and make recommendations to the Board;
 - to review proposed mergers, acquisitions, joint ventures and divestitures, along with the financial implications of proposed transactions and make recommendations to the Board and to monitor the financial performance of transactions completed;
 - to review and approve all private equity, hedge funds and other passive investments made by the Company;
 - to oversee the financial, investment and actuarial policies and objectives of the Company's benefit plans and shall review the performance of investment plans on a quarterly basis, including funds in the employee retirement annuity plan;
 - to oversee the issuance or guarantee of securities by the Company and offer terms of such securities and guarantees;

- to periodically review the Company's overall risk management plans and major insurance policies; and
- to review the significant financial exposures and contingent liabilities of the Company; and

Board Review and Approval

This charter will be reviewed periodically by the Board. The current version of this charter was approved by the Board on May 23, 2024.

2. Composition of the Audit and Finance Committee

NI 52-110 provides that a member of an audit committee is "*independent*" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment.

NI 52-110 provides that an individual is "*financially literate*" if the individual 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.

The current members of the Audit and Finance Committee are William Ollerhead (Chair), Harold Wolkin and Michael Cochrane, all of whom are "*financially literate*" as defined by NI 52-110, with Harold and Michael acting as independent directors. William Ollerhead is not considered to be "*independent*" as William served as an executive officer of the Company within the last 3 years.

3. Relevant Education and Experience

All current and proposed members of the Audit and Finance Committee have received relevant education in financial literacy and have been involved in enterprises which publicly report financial results, each of which requires a working understanding of, and ability to analyze and assess, financial information (including financial statements).

Further, each member has the requisite education and experience that has provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare the Company's financial statements;
- (b) the ability to assess the general application of the above-noted principles in connection with estimates, accruals and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

A summary of the education and experience of each member of the Audit and Finance Committee that is relevant to the performance of his responsibilities as a committee member can be found in the Circular to which this Schedule "B" is attached under the heading "*Particulars of Matters to be Acted Upon – Election of Directors – Director Biographies*".

4. Audit and Finance Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has adopted all recommendations of the Audit and Finance Committee regarding nomination or compensation of the external auditors.

5. Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in section 2.4 (*De Minimis Non-audit Services*); or an exemption from MI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

6. Pre-Approval Policies and Procedures

The Audit and Finance Committee has not adopted formal policies and procedures for the engagement of non-audit services. Subject to the requirements of the NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit and Finance Committee, on a case-by-case basis.

7. External Auditors' Service Fees (By Category)

The following table sets out the aggregate fees charged to the Company by the external auditor in each of the last two fiscal years for the category of fees described.

Category	The Company Financial Year ended December 31, 2022 (\$)	CTI Financial Year ended December 31, 2022 (\$)	Total Financial Year ended December 31, 2022 (\$)	The Company Financial Year ended December 31, 2023 (\$)	CTI Financial Year ended December 31, 2023 (\$)	Total Financial Year ended December 31, 2023 (\$)
Audit Fees ⁽¹⁾	\$7,000	\$18,900	\$25,900	\$14,231	\$23,100	\$37,331
Audit-Related Fees ⁽²⁾	-	-	-	-	-	-
Tax Fees ⁽³⁾	\$3,300	-	\$3,300	\$1,017	-	1,017
All Other Fees ⁽⁴⁾	-	-	-	-	-	-
TOTAL	\$10,300	\$18,900	\$29,200	\$15,248	\$23,100	\$38,348

Notes:

- (1) "Audit Fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) "Audited-Related Fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above

8. Exemption

The Company is relying on the exemption provided in Section 6.1 of NI 52-110 as the Company is a "venture issuer". As a result, the Company is exempt from the requirements of Part 3 (Composition of Audit and Finance Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Schedule “C”

CORPORATE GOVERNANCE DISCLOSURE

Form 58-101F2 Corporate Governance Disclosure (Venture Issuers)

The following Corporate Governance Disclosure meets the requirements of *National Policy 58-201 - Corporate Governance Guidelines* (“NP 58-201”) as well as *National Instrument 58-101 - Disclosure of Corporate Governance Practices* (“NI 58-101”) applicable to “venture issuers” (as such term is defined in NI 58-101).

1. Board of Directors

The Board’s primary role is to manage or supervise management of the business and affairs of the Company. To fulfil this role, the Board is responsible for the stewardship of the Company, oversight of Management and the overall corporate governance of the Company including its strategic direction, establishing goals for Management and monitoring the achievement of these goals.

The composition of the Board is determined using the following principles:

- A majority of the directors must be independent, and must possess a broad range of business expertise; and
- Directors should bring characteristics which allow a mix of qualifications, skills, experience, expertise and diversity on the Board.

In determining whether a director is independent, the Board will consider whether the director has a direct or indirect relationship with the Company which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director’s independent judgement and whether the director complies with the other independence requirements set forth in *National Instrument 52-110 - Audit Committees*. (“NI 52-110”).

Currently, the Board is comprised of eight (8) directors, six (6) of whom are considered independent as defined in NI 52-110:

<u>Director</u>	<u>Independence</u>
Dr. Steven Theriault	Not independent, as Steven is the Chief Executive Officer of the Company
William Ollerhead	Not independent, as William was an executive officer of the Company within the last 3 years
Harold Wolkin	Independent
Robert Gabor	Independent
Dr. Shantha Kodihalli	Independent
Andy Hurley	Independent
Michael D. Cochrane	Independent
John Snisarenko	Independent

2. Directorships

The following directors of the Company are also currently directors of the following other reporting issuers:

Name	Name of Reporting Issuer	Exchange or Market	Position(s)	Director Since
William Ollerhead	Thermal Energy International Inc.	TSX-V	Director	October 2011
	Cuspis Capital II Ltd.	TSX-V	Director and Chief Executive Officer	September 2019

Name	Name of Reporting Issuer	Exchange or Market	Position(s)	Director Since
Harold Wolkin	Baylin Technologies Inc.	TSX	Director	November 2013
	BYND Cannasoft Enterprises Inc.	CSE	Director	March 2021
	Cipher Pharmaceuticals Inc.	TSX	Director	August 2016
	Ceres Global Ag Corp.	TSX	Director	January 2022
	Urban Infrastructure Group Inc. (formerly Deal Pro Capital Corp.)	TSX-V	Director	August 2021
	Enviro Global Limited (formerly Range Energy Resources Inc.)	CSE	Director	November 2019
John Snisarenko	Alimerat Sciences	ALIM-Nasdaq	Independent Director/Board Member	July 2019
	Zentek Ltd.	ZTEK-Nasdaq ZTEK-CDNX	Independent Director/Board Member	October 2023
	Triera Biosciences (wholly owned subsidiary of Zentek Ltd)		Advisor/Director	December 2023
Andy Hurley	Shield Therapeutics plc	LSE	Chief Commercial Officer	April 2023

3. Orientation and Continuing Education

Upon joining the Board, all new Board members are provided with a copy of the Company’s Corporate Governance Policy Manual, which was adopted by the Board on May 23, 2024 (the “**Manual**”). The Manual contains a number of policies and charters intended assist Board members to understand his or her various roles, responsibilities and duties as members of the Board and as members of the various Board committees which have been established by the Board.

The Manual includes a Board Performance Evaluation Policy mandating that the Governance, Nominating and Compensation Committee (“**GNC Committee**”) conduct period reviews intended to ensure that individual directors, the Board as a whole, and each Board committee work efficiently and effectively in achieving their functions. The GNC Committee also ensures that the Manual is reviewed at least annually and revised materials are given to each Board member.

The Company does not currently have a formal program for the continuing education of its Board members however, the Company does encourage its directors to pursue such continuing education opportunities as may be required to ensure that they maintain the skill and knowledge necessary to fulfill their various roles, responsibilities and duties. Directors can also consult with the Company’s professional advisors regarding their duties and responsibilities, as well as recent developments relevant to the Company and the Board.

4. Ethical Business Conduct

The Board has adopted a written Code of Conduct for its directors, officers, employees and consultants (the “**Code**”). A copy of the Code is included in the Manual and provided to each director, officer, employee and consultant. The Code is also provided to each new director, officer, employee and consultant upon joining the Company. In order to help ensure compliance with the Code, the Board has also established a Whistleblower Policy containing a number of procedures to allow individuals to report any violations of the Code or other concerns.

In addition to the Code and Whistleblower Policy, the Board has also implemented a Diversity Policy, Continuous Disclosure Policy, Shareholder Communication Policy and Trading Policy, to encourage and promote a culture of ethical business conduct.

5. Nomination of Directors

The GNC Committee is primarily responsible for identifying and screening candidates for nomination to the Board, having regard to any gaps in the skills and experience of the current directors and ensuring that a diverse range of candidates is considered. All other directors are also encouraged to participate in the identification and recruitment of new directors. Potential candidates are primarily identified through referrals by business contacts.

6. Compensation

The GNC Committee is responsible for evaluating and making recommendations to the Board on all forms of compensation for directors and officers (including the Chief Executive Officer), including fees and salaries, bonuses and long-term incentives in the form of Options or Performance Based Awards.

When determining the compensation of officers, GNC Committee considers: (i) recruiting and retaining officers 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; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

In making its decisions, the Board will rely upon the general experience of the GNC Committee, but as needed may retain and otherwise consult with outside consultants to provide independent reports on compensation paid by comparable companies.

7. Other Board Committees

The Board has established two (2) standing committees.

Audit and Finance Committee

In addition to the roles and responsibilities mandated under NI 52-110 with respect to audit committees in general, the Audit and Finance Committee is also responsible for financial and oversight planning. The committee members work with the Company's Chief Financial Officer on financial and investment strategy, budget setting, evaluation of financial performance, annual accounts, investment activity, consideration of capital and operational expenditures and revenue requirements. Currently, the Audit and Finance Committee is comprised of the following individuals: William Ollerhead (Chair), Harold Wolkin, Michael Cochrane.

Governance, Nominating and Compensation Committee

In addition to its nominating and compensation committee functions described in Items 3 and 6 of this Schedule "C" and elsewhere in the Circular, the GNC Committee is also responsible for developing, implementing and monitoring the Company's corporate governance policies and procedures, including keeping informed of legal requirements and trends regarding corporate governance. Currently, the GNC Committee is comprised of the following individuals: Robert Gabor (Chair), Harold Wolkin and Dr. Shantha Kodihalli.

8. Assessments

It is expected that the effectiveness of the Board, its committees and individual directors will be assessed on an ongoing basis by the GNC Committee and by the Board of directors as a whole. The GNC Committee has not, as yet, adopted formal procedures for assessing the effectiveness of the Board, its committees or individual directors. The GNC Committee will monitor and from time to time discuss the adequacy of information given to directors, the effectiveness of communications between Board members themselves and between the Board and management, and the processes of the Board and its committees. Individual directors will be encouraged to discuss any perceived issues or weaknesses that they feel may impair the effective operation of the Board.

