

Plantify Foods, Inc.

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Vancouver, BC, Canada V5N 1Z6
Telephone: 604 833 6820

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT an annual general meeting (the “**Meeting**”) of the shareholders of Plantify Foods, Inc. (the “**Company**”) will be held in the boardroom at 733 Seymour Street, Suite 2900, Vancouver, British Columbia at 10 a.m. (PDT) on Tuesday, September 10, 2024, for the following purposes:

1. to receive the financial statements of the Company for the financial year ended December 31, 2023, together with the auditor’s report thereon;
2. to set the number of directors at six;
3. to elect directors for the ensuing year;
4. to appoint the auditor for the Company and to authorize the directors to fix the auditor’s remuneration;
5. to approve the Company’s omnibus equity incentive plan;
6. to approve a consolidation of the Company’s common shares; and
7. to transact such other business as may properly come before the Meeting and any adjournments thereof.

Please read the notes to the accompanying instrument of proxy and then complete and return it within the time set out in the notes. The enclosed instrument of proxy is solicited by management but you may amend it, if you so desire, by striking out the names listed therein and inserting in the space provided the name of the person you wish to represent you at the Meeting.

DATED the 7th day of August, 2024.

BY ORDER OF THE BOARD

“Gabriel Kabazo”

Gabriel Kabazo
Chief Financial Officer and Director



**PLANTIFY FOODS, INC.
INFORMATION CIRCULAR**

This information is given as of August 7, 2024, unless otherwise stated.

This information circular is furnished in connection with the solicitation of proxies by the management of Plantify Foods, Inc. (the “**Company**”) for use at the annual general meeting (the “**Meeting**”) of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying notice of meeting and at any adjournment thereof.

PERSONS OR COMPANIES MAKING THE SOLICITATION

The enclosed instrument of proxy is solicited by management. Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders’ nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining from their principals authorization to execute forms of proxy. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised that they intend to oppose any action intended to be taken by management as set forth in this information circular.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying instrument of proxy are directors or officers of the Company. **A shareholder has the right to appoint a person in place of the persons named in the enclosed instrument of proxy to attend and act for and on behalf of the shareholder at the Meeting. To exercise this right, a registered shareholder shall strike out the names of the persons named in the instrument of proxy and insert the name of their nominee in the blank space provided, or complete another instrument of proxy. The completed instrument of proxy should be deposited with the Company's registrar and transfer agent Computershare Investor Services Inc. (“Computershare”) at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays and holidays.**

The instrument of proxy must be dated and be signed by the registered shareholder or by their attorney in writing, or, if the shareholder is a Company, it must either be under its common seal or signed by a duly authorized officer.

In addition to revocation in any other manner permitted by law, a registered shareholder may revoke a proxy either by (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid, or (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the place and within the time aforesaid or with the chairperson of the Meeting prior to the commencement of the Meeting or any adjournment thereof, or (c) registering with the scrutineer at the Meeting as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked.

Only registered shareholders have the right to revoke a proxy. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named in the enclosed instrument of proxy will vote the shares in respect of which they are appointed and, where directions are given by the shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.

In the absence of any direction in the instrument of proxy, it is intended that such shares will be voted in favour of the motions proposed to be made at the Meeting as stated under the headings in this information circular. The instrument of proxy enclosed, when properly signed, confers discretionary authority with respect to amendments or variations to any matters which may properly be brought before the Meeting. The enclosed instrument of proxy does not confer authority to vote for the election of any person as a director of the Company other than for those persons named in this information circular. At the time of printing of this information circular, management of the Company 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 the management should properly come before the Meeting, the proxies hereby solicited will be voted on such matters in accordance with the best judgment of the named proxyholder.

NON-REGISTERED HOLDERS

The record date for determination of the holders of common shares of the Company entitled to receive notice of, and to vote at, the Meeting is August 1, 2024 (the “**Record Date**”). Only shareholders whose names have been entered in the register of common shareholders at the close of business on the Record Date (“**Registered Shareholders**”) will be entitled to receive notice of, and to vote at, the Meeting.

Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the common shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the common shares. More particularly, a person is not a Registered Shareholder in respect of common shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the common shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency of which the Intermediary is a participant. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration for the Canadian Depository for Securities, which company acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many United States brokerage firms and custodian banks).

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as “**NOBO’s**”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as “**OBO’s**”. In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Company has elected to send the notice of meeting, this information circular and the proxy (collectively, the “**Meeting Materials**”) directly to the NOBO’s, and indirectly through Intermediaries to the OBO’s. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them. The Company does not intend to pay for an Intermediary to deliver Meeting Materials to OBOs. Accordingly, OBOs will not receive the Meeting Materials unless their Intermediary assumes the costs of delivery.

Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Holder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a “**voting instruction form**”) which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- (b) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of common shares beneficially owned by the Non-Registered Holder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the form of proxy and deposit it with Computershare Investor Services Inc. at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of holding the Meeting or adjournment thereof.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the common shares they beneficially own. Should a Non-Registered Holder who receives either a voting instruction form or a form of proxy wish to attend the Meeting and vote in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder’s (or such other person’s) name in the blank space provided or, in the case of a voting instruction form, follow the directions indicated on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies, including those regarding when and where the voting instruction form or the proxy is to be delivered.**

The Meeting Materials are being sent to both Registered Shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Company or its agent has sent the Meeting Materials directly to you, your name and address and information about your holding of common shares of the Company have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

By choosing to send the Meeting Materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the voting instruction form.

All references to shareholders in the Meeting Materials are to Registered Shareholders unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of common shares without par value. At the close of business on August 7, 2024, 378,736,746 common shares without par value of the Company were issued and outstanding, each share carrying the right to one vote. At a meeting of shareholders of the Company, on a show of hands, every shareholder present in person shall have one vote and, on a poll, every shareholder shall have one vote for each common share held.

Only shareholders of record on the close of business on August 1, 2024 who either personally attend the Meeting or who complete and deliver an instrument of proxy in the manner and subject to the provisions set out under the heading “Appointment and Revocation of Proxies” will be entitled to have their shares voted at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying 10% or more of the outstanding voting rights of the Company except as follows:

Name	Number of Common Shares ⁽¹⁾	Percentage of Issued and Outstanding Common Shares
TalRaz Projects and Agricultural Ltd.	46,691,036	12.33%
N2OFF, Inc.	85,008,698	22.45%

Notes:

⁽¹⁾ This information has been taken from the *System for Electronic Disclosure by Insiders* which can be accessed at www.sedi.ca.

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

Other than as disclosed elsewhere in this information circular, to the knowledge of management of the Company, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors and the approval of the Company's stock option plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this information circular, “informed person” means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

No informed person or proposed director of the Company, and no associate or affiliate of any such informed person or proposed director, has or has had any material interest, direct or indirect, in any transaction undertaken by the Company since the commencement of its last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officer

In this section “named executive officer” (“**NEO**”) means any individual who, during the Company’s most recently completed financial year ended December 31, 2023, was:

- (a) the chief executive officer (“**CEO**”) (or an individual who acted in a similar capacity) of the Company;
- (b) the chief financial officer (“**CFO**”) (or an individual who acted in a similar capacity) of the Company;
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries, other than the CEO and the CFO, whose total compensation was more than \$150,000 as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation - Venture Issuers*; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or any of its subsidiaries, nor acting in a similar capacity, on the last day of the Company’s financial year ended December 31, 2023.

As of the financial year ended December 31, 2023, the Company had four NEOs, namely Roy Borochoy (former CEO), Suzette Ramcharan (CEO), Gabriel Kabazo (CFO and corporate secretary), and Noam Ftecha (director).

All dollar amounts referenced herein are in Canadian dollars unless otherwise specified.

NEO compensation, excluding compensation securities

The following table sets forth all annual and long-term compensation for services paid to or earned by each of the NEOs during the two most recent financial years:

Name and Principal Position(s) During the Period	Financial Year	Table of Compensation					Total compensation (\$)
		Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Options (\$) ⁽⁵⁾	RSUs (\$) ⁽⁶⁾	Value of all other compensation (\$)	
Roy Borochoy ⁽¹⁾ Former CEO, president and director	2023	76,825	Nil	66,666	25,000	Nil	168,491
	2022	116,317	Nil	Nil	Nil	Nil	116,317
Suzette Ramcharan ⁽²⁾ CEO	2023	21,000	Nil	65,539	35,000	Nil	121,539
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Gabriel Kabazo ⁽³⁾ CFO and corporate secretary	2023	105,000	Nil	53,625	36,250	Nil	194,875
	2022	84,067	Nil	Nil	Nil	Nil	84,067
Noam Ftecha ⁽⁴⁾ Director	2023	154,729	Nil	44,155	6,000	Nil	204,884
	2022	171,485	Nil	Nil	Nil	Nil	171,485

Notes:

- (1) Roy Borochoy was appointed as CEO and president on July 29, 2022 and resigned on August 31, 2023.
- (2) Suzette Ramcharan was appointed CEO on September 1, 2023.
- (3) Gabriel Kabazo was appointed as CFO and corporate secretary on July 29, 2022.
- (4) Noam Ftecha was appointed as a director on July 29, 2022 and resigned on June 17, 2024.
- (5) The fair value of option-based awards represent the grant date fair value of options and is determined using the Black-Scholes option pricing model using the following assumptions: no dividends to be paid; volatility of 157.44%, 161.99%, 157.44% and 157.44% respectively for the options granted; risk free interest rate of 2.96%, 3.83%, 2.96% and 2.96% respectively for the options granted, and an expected life of five years.
- (6) The fair value of the RSUs represents the share price on the date of the grant multiplied by the number of RSUs.

Director Compensation

Director Compensation Table

The following table sets forth all amounts of compensation provided to directors who were not NEOs of the Company during the Company's most recently completed financial year.

Name	Fees earned (\$)	Share-based awards (\$) ⁽¹⁾	Option-based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Moshe Revach	-	17,000	8,117	-	-	-	25,117
Rowland Wallenius	-	17,000	8,117	-	-	-	25,117
Asaf Itzhaik	-	4,500	8,117	-	-	-	12,617
Israel Berenstein	-	4,500	8,117	-	-	-	12,617
Liat Sidi	-	4,500	8,117	-	-	-	12,617

Notes:

- (1) The fair value of the RSUs represents the share price on the date of the grant multiplied by the number of RSUs.
- (2) The fair value of option-based awards represents the grant date fair value of options and is determined using the Black-Scholes option pricing model using the following assumptions: no dividends are to be paid; volatility of 161.08%, risk free interest rate of 3.96%, and expected life of five years.
- (3) Liat Sidi resigned as director of the Company on January 11, 2024.

Material Factors Necessary to Understand Director Compensation

The Board has adopted a compensation scheme for non-executive directors that pays them a fixed amount for each fiscal quarter served (or portion thereof). In addition, the chair of the Board and the chair of the Audit Committee each receive an additional fixed quarterly amount for acting as chair. Subject to approval of the TSX Venture Exchange (the “TSXV”), up to one-half of all fees are payable in common shares of the Company, with the remainder payable in cash. In addition, directors are reimbursed for travel and other expenses incurred in attending meetings and the performance of their duties.

Director Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding under share-based or option-based incentive plans of the Company as at December 31, 2023, including awards granted prior to the most recently completed financial year, to each of the directors of the Company who were not NEOs.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Moshe Revach	600,000	0.035	September 14, 2028	-	550,000	17,000	-
Rowland Wallenius	600,000	0.035	September 14, 2028	-	550,000	17,000	-
Asaf Itzhaik	600,000	0.035	September 14, 2028	-	300,000	4,500	-
Israel Berenstein	600,000	0.035	September 14, 2028	-	300,000	4,500	-
Liat Sidi	600,000	0.035	September 14, 2028 ²	-	300,000	4,500	-

Notes:

- (1) The dollar value that would have been realized is calculated by determining the difference between the market price of the underlying securities at December 31, 2023 and the exercise or base price of the options under the option-based award. The last trading price of the Company’s Shares on the TSXV on December 31, 2023 was \$0.01.
- (2) Liat Sidi resigned as a director on January 11, 2024 and as a result, the options expired on April 11, 2024.

Director Incentive Plan Awards - Value Vested or Earned During the Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for the directors of the Company who were not NEOs during the most recently completed financial year:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Moshe Revach	2,412	-	-
Rowland Wallenius	2,412	-	-
Asaf Itzhaik	2,412	-	-
Israel Berenstein	2,412	-	-
Liat Sidi	2,412	-	-

The Board considers option grants to directors at the time a director joins the board and annually. Option grants to directors are intended as a long-term incentive.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all awards outstanding as at December 31, 2023, including awards granted prior to the most recently completed financial year, to NEOs:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)(1)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Suzette Ramcharan	2,000,000	\$0.035	September 1, 2028	-	1,000,000	35,000	-
Gabriel Kabazo	750,000 1,500,000	\$0.12 \$0.035	March 20, 2028 September 14, 2028	-	1,250,000	36,250	-
Noam Ftecha	750,000 800,000	\$0.12 \$0.035	March 20, 2028 September 14, 2028	-	400,000	6,000	-

Notes:

- (1) “In the money options” means the excess of the market value of the Company’s Shares on December 31, 2023 over the exercise price of the options. The last trading price of the Company’s Shares on the TSXV on December 31, 2023 was \$0.01.

Value Vested or Earned During the Year

The following table sets forth information concerning all awards outstanding under share-based or option-based incentive plans of the Company at the end of the most recently completed financial year to each of the NEOs.

Name	Option-based awards – Value vested during the year(1) (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Suzette Ramcharan	-	-	-
Gabriel Kabazo	-	-	-
Noam Ftecha	-	-	-

Notes:

- (1) Value vested is calculated as the dollar value that would have been realized had the option been exercised on the date it was vested less the related exercise price multiplied by the number of vesting shares.

The Company may issue share-based and option-based awards in the future pursuant to the Omnibus Plan. Share-based and option-based awards granted under the Omnibus Plan are intended to reward long-term corporate performance, increased share value and align the interests of employees, including NEOs, with those of shareholders.

The Compensation Committee is responsible for reviewing and approving corporate goals and objectives relevant to the compensation arrangements (including but not limited to employment and consulting arrangements) of the executive officers of the Company, the chairperson of the Board, and the directors of the Company, to evaluate the performance of the Company’s executive officers, the chairperson of the Board, and directors of the Company in light of those goals and objectives, and set the compensation level of such parties based on this evaluation. In determining the long-term incentive component of the parties’ compensation, the Compensation Committee shall consider, without limitation, the Company’s performance and relative shareholder return, the value of similar incentive awards to executive officers, the chairperson of the Board, and directors at comparable companies, and the awards given to such parties in past years.

The administration of the Company’s Omnibus Plan, or such other equity based compensation plans as may be approved by the Board and shareholders of the Company from time to time, is also the responsibility of the Compensation Committee.

Stock Option Plans and Other Incentive Plans

Pursuant to TSXV Policy 4.4 – *Security Based Compensation*, the Company has adopted a “rolling up to 10% and fixed up to 10%” security based compensation plan (the “**Omnibus Plan**”), which reserves a percentage of the issued and outstanding common shares of the Company for issuance pursuant to stock options of the Company (each an “**Option**” and collectively, “**Options**”), deferred share units of the Company (“**DSUs**”), performance share units of the Company (“**PSUs**”) and restricted share units of the Company (“**RSUs**”, and together with PSUs, DSUs and Options, “**Awards**”). See “*Summary of the Omnibus Plan*” below for details of the Omnibus Plan. The Omnibus Plan was approved by shareholders at the annual general and special meeting of the Company held June 22, 2023.

Summary of the Omnibus Plan

Pursuant to the Omnibus Plan, the board of directors of the Company (the “**Board**”) may grant Awards to eligible persons as determined by the Omnibus Plan. The aggregate number of common shares which may be made available for issuance under the Omnibus Plan will not exceed (a) with respect to the number of common shares issuable pursuant to the exercise of Options, 10% of the total number of issued and outstanding common shares from time to time and (b) with respect to the number of common shares issuable pursuant to all Awards other than Options and under any other Security Based Compensation Plan of the Company, 10% of the total number of issued and outstanding common shares as of the date of implementation of the Omnibus Plan, in each case subject to adjustment as provided in the Omnibus Plan.

The purpose of the Omnibus Plan is to advance the interests of the Company and its subsidiaries by (i) promoting a significant alignment between directors, officers, employees and consultants of the Company and its subsidiaries (“**Awardees**”) and the growth objectives of the Company; (ii) associating a portion of Awardees’ compensation with the performance of the Company over the long term; and (iii) attracting, motivating and retaining the critical Awardees to drive the business success of the Company.

The following is a summary of the principal terms of the Omnibus Plan, which is qualified in its entirety by reference to the text of the Omnibus Plan:

- The aggregate number of common shares to be delivered upon the exercise of all Options granted under the Omnibus Plan shall not exceed 10% of the issued and outstanding common shares at the time of granting Options (on a non-diluted basis).
- The aggregate number of common shares issuable pursuant to all Awards other than Options and under any other Security Based Compensation Plan of the Company shall not exceed 10% of the number of issued and outstanding common shares as of the date of implementation of the Omnibus Plan.
- Any increase in the issued and outstanding common shares will result in an increase in the available number of common shares issuable upon exercise of Options granted under the Omnibus Plan, and any exercises of Options, or settlements of Awards other than Options, will make new grants of Options available under the Omnibus Plan, effectively resulting in a re-loading of the number of Options available to grant under the Omnibus Plan. If any Awards granted expire or terminate for any reason without having been exercised or settled in full, as applicable, the unissued shares subject thereto shall again be available for the purposes of the Omnibus Plan.
- Subject to the provisions of the Omnibus Plan and rules of the TSXV, the Board or its delegate shall have authority to interpret the Omnibus Plan and all Award agreements entered into in connection with the grant of Awards under the Omnibus Plan, to define the terms used in the Omnibus Plan and in all Award agreements entered into thereunder, to prescribe, amend and rescind the terms of the Omnibus Plan and to make all other determinations necessary or advisable for the administration of the Omnibus Plan.
- The price per share at which any common share which is the subject of an Option may be purchased (the “**Option Exercise Price**”) will be established by the Board or its delegate, subject to the rules of the regulatory authorities having jurisdiction over the securities of the Company, provided that the Option Exercise Price shall not be less than the Discounted Market Price (as defined in the policies of the TSXV). The term of each Option will be fixed by the Board or its delegate, but may not exceed 10 years from the date of grant.
- Options granted pursuant to the Omnibus Plan shall be exercisable at such times and on the occurrence of such events, and be subject to such restrictions and conditions, as the Board or its delegate shall in each instance approve, which need not be the same for each grant or for each Awardee. Without limiting the foregoing, the Board or its delegate may permit the exercise of an Option through either a cashless exercise mechanism or net exercise mechanism pursuant to the terms of the Omnibus Plan and subject to the rules of the TSXV.
- DSUs, RSUs and PSUs may be granted to Awardees as compensation for employment or consulting services or services as a director or officer and may entitle Awardees to receive, for no additional cash consideration, common shares (a) on a deferred basis, in the case of DSUs, (b) upon specific time or other vesting conditions being met, in the case of RSUs, or (c) upon specific performance criteria being satisfied, in the case of PSUs, in each case as determined by the Board

or its delegate. The value of RSUs and PSUs is influenced by the fair market value of the underlying Common Shares, as determined by the Board or its delegate, pursuant to the terms of the Omnibus Plan.

- The Board or its delegate may award dividend equivalents with respect to DSUs, RSUs or PSUs. Such dividend equivalent entitlements may be subject to accrual, forfeiture or payout restrictions as determined by the Board or its delegate and need not be uniform among all DSUs, RSUs or PSUs.
- No Awards, other than Options, shall vest earlier than one year after the date of grant, except with respect to an Awardee who dies or ceases to be eligible under the Omnibus Plan in connection with a change of control of the Company.
- If the expiry date, redemption date or settlement date, as applicable, of any Award would otherwise occur in a blackout period, the expiry date shall be extended to the tenth business day following the last day of the blackout period, where “blackout period” means a period of time during which the Company prohibits Awardees from exercising, redeeming or settling their Awards, due to applicable law or policies of the Company.
- The maximum number of common shares which may be issued to any one Awardee within any 12-month period under the Omnibus Plan together with any other Security Based Compensation Plan shall not exceed 5% of the number of common shares outstanding (on a non-diluted basis) from time to time, unless disinterested shareholder approval is obtained pursuant to the policies of the TSXV.
- The maximum number of common shares which may be issuable to any one Consultant (as defined in the Omnibus Plan) within any 12-month period under the Omnibus Plan together with any other Security Based Compensation Plan shall not exceed 2% of the number of common shares outstanding on a non-diluted basis.
- The maximum number of common shares which may be issuable to all Investor Relations Service Providers (as defined in the Omnibus Plan) within any 12-month period under the Omnibus Plan together with any other Security Based Compensation Plan shall not exceed 2% of the number of common shares outstanding on a non-diluted basis. Options granted to Investor Relations Service Providers must vest in stages over 12 months with no more than 25% of such Options becoming vested in any three-month period. Investor Relations Service Providers may not receive any Award other than Options.
- The maximum number of common shares which may be issuable to all Insiders (as defined in TSXV policies) of the Company at any time under the Omnibus Plan together with any other Security Based Compensation Plan shall not exceed 10% of the common shares outstanding on a non-diluted basis from time to time. The number of common shares issued to Insiders of the Company within any 12-month period under the Omnibus Plan together with any other Security Based Compensation Plan shall not exceed 10% of the number of outstanding common shares on a non-diluted basis.
- In the event of death of an Awardee, unless otherwise determined by the Board or its delegate, (i) the executor or administrator of the Awardee’s estate may exercise any vested Options for a period until the earlier of the original expiry date and 12 months after the date of death, and any unvested Options shall terminate and become void on the date of death; and (ii) any unvested RSUs and PSUs previously credited to the Awardee’s account will vest immediately, and vested RSUs and PSUs will be paid to the Awardee’s estate, with any settlement or redemption to occur within 12 months following the termination date.

- Except as may otherwise be provided in an Awardee’s employment agreement or as otherwise determined by the Board or its delegate, if an Awardee’s employment or other relationship with the Company is terminated for any reason other than death, (i) each vested Option held by that Awardee will cease to be exercisable on the earlier of the original expiry date and three months after the termination date; and (ii) any RSUs or PSUs held by the Awardee that have vested before the termination date will be paid to the Awardee, with any settlement or redemption to occur within three months following the termination date. In all cases, any unvested Options, RSUs or PSUs held by the Awardee shall terminate and become void on the date of termination.

- Each applicable Award agreement will provide the extent to which an Awardee will have the right to retain any DSUs following the Awardee’s death or termination of the Awardee’s employment or other relationship with the Company, provided that settlement must occur within one year following termination. Such provisions shall be determined in the sole discretion of the Board or its delegate, and need not be uniform among all DSUs granted pursuant to the Omnibus Plan.

- Unless otherwise determined by the Board or its delegate, where an Awardee is terminated for cause, any Options, RSUs, PSUs or DSUs held by the Awardee will be immediately cancelled and forfeited to the Company for no consideration.

- In the event of a change of control (as defined in the Omnibus Plan), unless otherwise provided in the Omnibus Plan or an Award agreement, the Board or its delegate may deal with any or all outstanding Awards (or any portion thereof) in the manner it deems fair and reasonable in the circumstances of the change of control, including but not limited to cancelling all outstanding awards with or without payment or accelerating vesting and/or expiry of outstanding Awards. Notwithstanding the foregoing, no cancellation, acceleration of vesting, lapsing of restrictions or payment of an Award shall occur if the Board or its delegate determines in its sole discretion prior to the occurrence of a change of control that such Award shall be honored or assumed, or new rights substituted therefor by any successor to the Company or an Affiliate (as defined in TSXV policies), in accordance the terms of the Omnibus Plan.

- Unless restricted by law or TSXV rules, the Board or its delegate may alter, amend, modify, suspend or terminate the Omnibus Plan or any Award in whole or in part without notice to, or approval from, shareholders, including, but not limited to, for the purposes of:
 - making any amendments to the general vesting provisions of any Award;
 - making any amendments to the general term of any Award as permitted by the Omnibus Plan;
 - making any amendments to add covenants or obligations of the Company for the protection of Awardees;
 - making any amendments not inconsistent with the Omnibus Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Board, it may be expedient to make, including amendments that are desirable as a result of changes in law or as a “housekeeping” matter; or
 - making such changes or corrections which are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error.

- Shareholder approval is required to make the following amendments to the Omnibus Plan:
 - a reduction in the Option Exercise Price of a previously granted Option benefitting an Insider of the Company or one of his/her/its Affiliates (unless done pursuant to Section 4.10 of the Omnibus Plan);
 - any amendment or modification which would increase the total number of common shares available for issuance under the Omnibus Plan (unless done pursuant to Section 4.10 of the Omnibus Plan);
 - an increase to the limit on the number of common shares issued or issuable under the Omnibus Plan to Insiders of the Company (unless done pursuant to Section 4.10 of the Omnibus Plan);
 - an extension of the expiry date of an Option other than as otherwise permitted under the Omnibus Plan;
 - an extension of the expiry date of an Option issued to Insiders; or
 - any amendment to the amendment provisions of the Omnibus Plan.
- The Company shall obtain disinterested shareholder approval prior to any of the following actions becoming effective:
 - the Omnibus Plan together with all of the Company's other Security Based Compensation Plans, if any, could result at any time in: (i) the number of common shares reserved for issuance under Awards granted to Insiders of the Company exceeding 10% of the outstanding Common Shares at any point in time, (ii) the number of common shares reserved for issuance under Awards granted to Insiders of the Company within a 12-month period exceeding 10% of the outstanding common shares; or (iii) the number of common shares reserved for issuance under Awards granted to any Awardee within a 12-month period exceeding 5% of the outstanding common shares; or
 - any reduction in the Option Exercise Price of any Option previously granted to Insiders of the Company.

Employment, consulting and management agreements

Except as disclosed below, there were no written agreements or arrangements in place under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company that were:

- (a) performed by a director or NEO; or
- (b) performed by any other party but are services typically provided by a director or a NEO,

other than the grant of options under the Omnibus Plan, and the reimbursement of expenses any director or NEO may have incurred on behalf of the Company.

In particular, there were no agreements or arrangement containing provisions with respect to change of control, severance, termination or constructive dismissal except as disclosed below.

Suzette Ramcharan

On August 26, 2023, the Company and WIN Expertise Inc. (“WIN”) entered into a services agreement. Under this services agreement, WIN agreed that its controlling shareholder, Suzette Ramcharan, would act as the Company’s CEO in consideration for the sum of \$90,000 per year. Both parties are entitled to terminate the services agreement for any reason, or no reason, by giving the other party prior written notice of 30 days.

Gabriel Kabazo

On December 21, 2022, the Company and Miga Consulting Ltd. (“Miga”) entered into a services agreement. Under this services agreement, Miga agreed that its controlling shareholder, Gabriel Kabazo, would act as the Company’s CFO and corporate secretary in consideration for the sum of \$90,000 per year. Both parties are entitled to terminate the services agreement for any reason, or no reason, by giving the other party prior written notice of 30 days.

Noam Ftecha

On March 15, 2021, the Company and Noam Ftecha entered into an employment agreement under which Mr. Ftecha agreed to act as CEO of the Company’s subsidiary, Peas of Bean Ltd., in consideration for the sum of 303,156 New Israeli Shekels per year. The notice period required to be given to terminate the employment agreement is governed by the Israeli Severance Pay Law.

Termination and Change of Control Benefits

The services agreements with each of Noam Ftecha, Miga (Gabriel Kabazo) and WIN (Suzette Ramcharan) provide inter alia that:

- if the employee’s employment with the Company or Peas of Bean Ltd., as applicable, is terminated without cause, or
- if the employee elects to terminate his employment with the Company or Peas of Bean Ltd., as applicable, in the event there has been a “substantial breach” (including wrongful dismissal) by or a change of control of the Company or Peas of Bean Ltd., as applicable,

then such terminated employee will be entitled to severance payments equal to one-twelfth of the employee’s then base salary plus coverage for any benefits to which the employee may be entitled pursuant to any benefit plan, for the lesser of: (i) twelve months, or (ii) until such employee finds new employment.

No benefits will accrue to any of the Company’s other NEOs, officers, employees or directors upon their termination, or upon any change of control of the Company, except as may be required by applicable law.

Oversight and Description of Director and NEO Compensation

Compensation Review Process

The objective of the Company’s executive compensation strategy is to provide compensation that reflects:

- fair and competitive compensation commensurate with an individual’s performance, experience and expertise in order to attract and retain highly qualified executives;
- recognition and encouragement of leadership, entrepreneurial spirit and team work;

- the Company's values;
- an alignment of the financial interests of the executives with the financial interests of the shareholders;
- short-term and long-term incentives to reward individual performance and contribution to the achievement of corporate performance and objectives; and
- contribution to the enhancement of shareholder value.

The Company seeks to maintain a reasonable balance between offering a competitive base salary and an attractive stock option package but does not apply a precise formula in determining the appropriate mix. Other considerations affecting the amount and makeup of management compensation include the Company's financial resources, its stage of development and plans for future growth and the time commitment of each individual officer to the Company's affairs (full time versus part time).

Ultimately, it is the responsibility of the Board, in consultation with the compensation committee (the "**Compensation Committee**"), to fix and evaluate the appropriateness of each officer's compensation. The Company's process for determining executive compensation relies largely on the Board without any formal objectives, criteria and analysis. The final compensation paid is reached by negotiation with each individual officer. The Board believes this approach is appropriate given the Company's size and means.

Compensation Risk Management

The Company's compensation program seeks to align its strategic direction with the interests of its shareholders by incorporating various risk-adjusted measures into its compensation program, which are designed to mitigate any incentive for its employees, including NEOs, to take or be rewarded for excessive or imprudent risks that could have a material adverse impact on the Company. In particular, the compensation program of the Company seeks to limit and mitigate compensation-related risk by balancing short-term goals with long-term performance objectives through the issuance of stock options pursuant to the Option Plan. Risk oversight is primarily the responsibility of the audit committee (the "**Audit Committee**") in conjunction with the Compensation Committee and is monitored by the executive committee which includes the CEO and his direct reports. The Compensation Committee and Audit Committee are responsible, at least annually, for reviewing incentive compensation arrangements to confirm they do not encourage inappropriate or unintended risk taking. Due to the small size of the Company and the current level of the Company's activity, the Compensation Committee is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular meetings of the Compensation Committee during which financial and other information of the Company are reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Compensation Committee

The Company has established the Compensation Committee to assist the Board in approving and monitoring guidelines and practices with respect to the Company's compensation programs and practices. The Compensation Committee is currently comprised of Israel Berenstein (chairperson), Asaf Itzhaik and Yehonatan Shachar.

The Compensation Committee seeks the advice of the CEO, CFO, and the Company's legal counsel on matters that fall within each of their respective areas of responsibility. The Compensation Committee continually monitors and assesses the Company's executive compensation program to ensure alignment with its compensation philosophy and the achievement of the Company's strategic objectives, as well as observance of compensation best practices.

Pension Disclosure

The Company does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

During the financial year ended December 31, 2023, the Omnibus Plan was the only equity compensation plan under which securities were authorized for issuance. The following table sets forth information with respect to the Omnibus Plan as at December 31, 2023.

Plan category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	14,671,666	\$0.07	22,270,879 ⁽¹⁾
Equity compensation plans not approved by securityholders	-	-	-
<i>Total</i>	14,671,666	\$0.07	22,270,879 ⁽¹⁾

Notes:

⁽¹⁾ This figure is based on the total number of shares authorized for issuance under the Omnibus Plan, less the number of stock options issued under the Omnibus Plan which were outstanding as at the Company's financial year ended December 31, 2023. As at December 31, 2023, the Company was authorized to issue options for the purchase of a total of 36,942,545 common shares of the Company.

CORPORATE GOVERNANCE DISCLOSURE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. National Policy 58-201 *Corporate Governance Guidelines* ("NP 58-201") establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board believes that good corporate governance improves corporate performance and benefits all shareholders. The Board, governed by a Board charter, is committed to sound corporate governance practices and feels that the Company's corporate governance practices are appropriate and effective for the Company given its current size. The Company has also adopted a charter for each of its audit, corporate governance and nomination, and compensation committees.

The Company's corporate governance practices are summarized below.

Board of Directors

The Board is currently composed of Israel Berenstein, Asaf Itzhaik, Gabriel Kabazo, Moshe Revach, Yehonatan Shachar and Rowland Wallenius. All of the proposed nominees for election as directors are currently directors of the Company.

NP 58-201 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with a

view to the best interests of the company, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, NP 58-201 suggests that a board of directors should include a number of directors who do not have interests in either the company or a significant shareholder. Of the proposed director nominees, Israel Berenstein, Asaf Itzhaik, Moshe Revach, Yehonatan Shachar and Rowland Wallenius are considered by the Board to be “independent” within the meaning of NP 58-201. Gabriel Kabazo is an executive officer of the Company, and accordingly, he is considered to be “non-independent”.

The Board meets formally on an as needed basis to review and discuss the Company’s business activities, and to consider and if thought fit, to approve matters presented to the Board for approval, and to provide guidance to management. In addition, management informally provides updates to the Board at least once per quarter between formal meetings. In general, management consults with the Board when deemed appropriate to keep it informed regarding the Company’s affairs.

The Board facilitates the exercise of independent supervision over management through these various meetings. At present, the Board has two formal committees (discussed below under “Other Board Committees” of this section) other than its Audit Committee. The composition of the Board is such that the independent directors have significant experience in business affairs and, as a result, these directors are able to provide significant and valuable independent supervision over management.

In the event of a conflict of interest at a meeting of the Board, the conflicted director will in accordance with corporate law and in accordance with his fiduciary obligations as a director of the Company, disclose the nature and extent of his interest to the meeting and abstain from voting on or against the approval of such participation.

Directorships

Other than as set out in the following table, none of the current directors of the Company are directors of other issuers that are reporting issuers in Canada or the equivalent in a foreign jurisdiction:

Name of Director	Name of Other Reporting Issuer
Moshe Revach	Director of SciSpare Ltd. (Nasdaq: SPRC), Jeffs’ Brands Ltd. (Nasdaq: JFBR), ParaZero Technologies Ltd. (Nasdaq:PRZO)
Gabriel Kabazo	Director of Femto Technologies Inc. (Nasdaq: BCAN), Hydreight Technologies Inc. (TSXV:NURS)
Yehonatan Shachar	Director of Clearmind Medicine Inc. (Nasdaq: CMND)
Asaf Itzhaik	Director of Clearmind Medicine Inc. (Nasdaq: CMND), N2OFF, Inc. (Nasdaq: NITO)
Israel Berenstein	Director of Jeffs’ Brands Ltd. (Nasdaq: JFBR), N2OFF, Inc. (Nasdaq: NITO)

Orientation and Continuing Education

At present, the Company does not provide a formal orientation and education program for new directors. Prior to joining the Board, potential members are encouraged to meet with management and inform themselves regarding management and the Company's affairs. After joining the Board, management and the Board chair provide orientation both at the outset and on an ongoing basis. The Company currently has no specific policy regarding continuing education for directors, and requests for education are encouraged, and dealt with on an ad hoc basis.

Ethical Business Conduct

The Board has adopted a written code of conduct for the directors, officers and employees of the Company to encourage and promote a culture of ethics and business conduct. Directors and officers of the Company are encouraged to conduct themselves and the business of the Company with the utmost honesty and integrity. Directors are also encouraged to consult with the Company's professional advisors with respect to any issues related to ethical business conduct.

Nomination of Directors

Once a decision has been made to add or replace a director, the task of identifying new candidates will fall on the CGN Committee (as defined herein). Additionally, all directors are encouraged to participate in the identification and recruitment of new directors. If a candidate looks promising, the Board and management will conduct due diligence on the candidate and interview the candidate and if the results are satisfactory, the candidate is invited to join the Board.

Compensation

Details regarding the compensation of Named Executive Officers and directors are discussed under "Statement of Executive Compensation – Oversight and Description of Director and NEO Compensation".

Other Board Committees

In addition to the Audit Committee (see "Audit Committee Disclosure" below) and the Compensation Committee, the Board also has a corporate governance and nomination committee (the "CGN Committee").

The Compensation Committee assists the Board in fulfilling its oversight responsibility relating to compensation of the Company's executive officers and directors. The members of the Compensation Committee are Rowland Wallenius (chair), Moshe Revach, Noam Ftecha.

The CGN Committee, governed by a corporate governance and nomination committee charter, assists the Board in furtherance of its commitment to corporate governance guidelines, the review of the board, its committees and directors, the evaluation of the performance of the Company's senior executives, including succession planning and development. The members of the CGN Committee are Rowland Wallenius, Israel Berenstein (chair), Moshe Revach.

Assessments

At present, the CGN Committee is responsible for the annual assessment of the performance of the Board, its committees and individual directors.

AUDIT COMMITTEE DISCLOSURE

Pursuant to the *Business Corporations Act* (British Columbia), the Company is required to have an audit committee comprised of at least three directors, the majority of whom must not be officers or employees of the Company or an affiliate of the Company.

Audit Committee Charter

The Company must, pursuant to National Instrument 52-110 *Audit Committees* (“NI 52-110”), have a written charter which sets out the duties and responsibilities of the Audit Committee. The Company’s Audit Committee charter is attached as Appendix A hereto circular.

Composition of the Audit Committee

The members of the Audit Committee are as follows:

Moshe Revach	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Yehonatan Shachar	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Rowland Wallenius	Independent ⁽¹⁾	Financially literate ⁽¹⁾

Notes:

⁽¹⁾ Within the meaning of NI 52-110.

Relevant Education and Experience

In addition to each member’s general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as a member is as follows:

Moshe Revach - Mr. Revach has served as director of ParaZero Technologies Ltd. since February 2022. He is currently the Deputy Mayor of the city of Ramat Gan, Israel, and has held the sports and government relations portfolios in the Ramat Gan municipality since 2018. He has also served in various positions in the Ramat Gan municipality since 2008. Mr. Revach also serves as a director of SciSparc Ltd. (Nasdaq: SPRC), Jeffs’ Brands Ltd. and LLN IT Solutions. He previously served as a director of Biomedico Hadarim Ltd. from 2019 to 2020 and as a director of the RPG Economic Society from 2013 to 2018. Mr. Revach holds an LL.B from the Ono Academic College, Israel, and a B.A in management and economics from the University of Derby. This experience allows Mr. Revach to understand the accounting, disclosure and regulatory responsibilities of the Company.

Yehonatan Shachar – Mr. Shachar, a director of the Company since January 2024 served on the board of directors of Clearmind Medicine Inc. since April 2020 (Nasdaq: CMND). Mr. Shachar has served as the Chief Executive Officer of Heroic Media Ltd., a digital marketing agency that works with top Israeli e-commerce brands since February 2020. Before this role, from June 2019 until February 2021, Mr. Shachar served as the CEO of Chiron Refineries, where he led a merger with Upsellon brands. Mr. Shachar has an LLB in Law and M.B.A in Business from the IDC International University in Herzliya, Israel.

Rowland Wallenius - Mr. Wallenius’ experience as a chief financial officer and a president of several organizations enables him to have the knowledge and experience related to this position. Mr. Wallenius has been responsible for and involved in all management, project construction, corporate and financial reporting, risk management, investor relations and corporate development. This experience allows Mr. Wallenius to understand the accounting, disclosure and regulatory responsibilities of the Company.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year, has the Company relied on the exemption in section 2.4 of NI 52-110 (De Minimis Non-audit Services), the exemption in subsection 6.1.1(4) of NI 52-110 (Circumstance Affecting the Business or Operations of the Venture Issuer), the exemption in subsection 6.1.1(5) of NI 52-110 (Events Outside Control of Member), the exemption in subsection 6.1.1(6) of NI 52-110 (Death, Incapacity or Resignation), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee is required to approve the engagement of the Company's external auditor in respect of non-audit services.

External Auditor Service Fees (by category)

The aggregate fees billed by the Company's external auditor in each of the last two financial years for audit fees are as follows:

Financial Year Ending	Audit Fees (\$)	Audit-Related Fees ⁽¹⁾ (\$)	Tax Fees ⁽²⁾ (\$)	All Other Fees ⁽³⁾ (\$)
December 31, 2023	85,969	-	8,271	-
December 31, 2022	84,582	-	11,554	-

Notes:

- (1) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
- (2) Fees charged for assisting in preparation and filing of tax returns.
- (3) Fees for services other than disclosed in any other column.

Venture Issuers Exemption

The Company is relying on the exemption in section 6.1 of NI 52-110 from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

PARTICULARS OF MATTERS TO BE ACTED UPON

The following are the matters to be acted upon at the Meeting.

Presentation of the Financial Statements

The consolidated financial statements of the Company for the financial year ended December 31, 2023 and the report of the auditor thereon, which were mailed to Registered Shareholders who requested the same, will be placed before the Meeting. The Company's consolidated financial statements are available under the Company's profile on the SEDAR+ website, which can be accessed at www.sedarplus.ca.

Election of Directors

The persons named in the enclosed instrument of proxy intend to vote in favour of fixing the number of directors at six.

Each director of the Company is elected annually and holds office until the next annual meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary the shares represented by proxy will be voted for the nominees herein listed.

MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. IN THE EVENT THAT PRIOR TO THE MEETING ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY THE PERSON NAMED IN THE PROXY AS NOMINEE TO VOTE THE SHARES REPRESENTED BY PROXY FOR THE ELECTION OF ANY OTHER PERSON OR PERSONS NOMINATED AS DIRECTORS.

Management proposes that the number of directors for the Company be determined at six for the ensuing year subject to such increases as may be permitted by the articles of the Company. The table below lists the management nominees for election as directors and certain information concerning them, as furnished by each nominee.

Name, Jurisdiction of Residence and Position	Principal Occupation or Employment (Past Five Years if Not Previously Elected by Shareholders)	Date Appointed as a Director	Direct and Indirect Holdings in Voting Securities of the Company and its Subsidiaries
Israel Berenstein ⁽²⁾⁽³⁾ Petach Tikvah, Israel <i>Director</i>	Attorney with the firm Israel Berenstein Law Office, Attorney with the firm Ben Yaakov-Shvimer-Dolev Law Office	July 14, 2023	Nil
Asaf Itzhaik ⁽²⁾ Ramat Gan, Israel <i>Director</i>	CEO of A.K.A Optics Ltd., a manufacturer of adaptive optics	September 1, 2023	Nil
Gabriel Kabazo British Columbia, Canada <i>CFO and director</i>	CFO, Femto Technologies Inc., a company focused on enhancing women's lifestyles and wellness through cutting edge technology	January 16, 2024	500,000 common shares
Moshe Revach ⁽¹⁾⁽³⁾ Ramat Gan, Israel <i>Director</i>	Deputy Mayor, City of Ramat Gan, Israel	December 12, 2022	250,000 common shares
Yehonatan Shachar ⁽¹⁾⁽²⁾ Tel Aviv, Israel <i>Director</i>	CEO of Heroic Media, a digital media advertising agency	January 16, 2024	Nil

Rowland Wallenius ⁽¹⁾⁽³⁾ British Columbia, Canada <i>Director</i>	CFO of Conuma Resources Limited, a supplier of low-cost sustainable steelmaking coal	February 27, 2018	750,000 common shares
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Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) Member of the CGN Committee.

Cease Trade Orders and Bankruptcy

Except as noted below, no proposed director:

- (a) is, as at the date of this information circular, or was within 10 years before the date of this information circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
 - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) is, as at the date of this information circular, or has been within the 10 years before the date of this information circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within 10 years before the date of this information circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointee to hold the assets of the proposed director.

Mr. Wallenius, who was the chief financial officer of Eastern Platinum Limited (“EPL”), became the subject of a management cease trade order issued by the British Columbia Securities Commission, as requested by EPL, on April 4, 2017 for EPL's failure to file annual financial statements, management's discussion and analysis, certification of annual filings and an annual information for the year ended December 31, 2016. The management cease trade order was revoked on June 15, 2017.

In addition, no proposed director has been subject to:

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

Appointment of Auditor

The persons named in the enclosed instrument of proxy will vote for the appointment of Ziv Haft, Certified Public Accountants (Isr.), a BDO member firm located at Derech Menachem Begin 48, Tel Aviv-Yafo, Israel, as auditor of the Company for the ensuing year, until the close of the next annual meeting of the shareholders at a remuneration to be fixed by the Board. Ziv Haft was first appointed to the position of auditor of the Company on July 26, 2022.

Approval of Omnibus Equity Incentive Plan

The TSXV requires that the Omnibus Plan be approved annually by the Company's shareholders. Accordingly, shareholders will be asked at the Meeting to pass an ordinary resolution substantially as set out below:

“BE IT RESOLVED THAT:

1. The Company's omnibus equity incentive plan (the “**Plan**”), materially as attached as Appendix B to the Company's management information circular dated August 7, 2024, including the reservation for issuance under the Plan at any time of such number of common shares of the Company as is permitted under the Plan, is approved.
2. Any director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer of the Company be necessary or desirable to carry out the intent of the foregoing resolutions.”

Recommendation of the Board

The Board unanimously recommends that the shareholders approve the Omnibus Plan and all unallocated options, rights and other entitlements thereunder by voting FOR the above resolution.

Regardless of the outcome of the vote on the above resolution, no outstanding options will be affected. If shareholders do not pass the above resolution, the Company may not grant any further options and any outstanding options may not be re-allocated until such time as the resolution is passed by shareholders at a future meeting.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF APPROVING THE PLAN UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THEIR COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

Approval of Share Consolidation

The Board has determined that it would be in the best interest of the Company to seek approval of the shareholders to consolidate all of its issued and outstanding common shares. At the Meeting, shareholders will be asked to consider, and if thought fit, to pass, with or without variation, an ordinary resolution (the “**Consolidation Resolution**”) authorizing the Board to consolidate the common shares of the Company on the basis of a ratio of one (1) post-consolidation common share (the “**Post-Consolidation Shares**”) for up to one thousand (1,000) pre-consolidation common shares (the “**Pre-Consolidation Shares**”), with such ratio to be determined by the Board at its sole discretion, with effect on a date to be determined by the Board at its sole discretion (the “**Consolidation**”). So long as the Consolidation does not exceed a ratio of one (1) post-consolidation common share for one thousand (1,000) pre-consolidation common shares, the Board may choose any consolidation ratio that it

determines is in the best interest of the Company. If the Consolidation Resolution is approved by shareholders and the Consolidation is accepted by the TSXV, and the Board determines to consolidate the common shares at the maximum consolidation ratio, the presently issued and outstanding 378,736,746 common shares will be consolidated into approximately 378,736 common shares.

The Company has submitted an application to Nasdaq Stock Market (“**Nasdaq**”) for listing of the common shares of the Company on Nasdaq. The Company intends to undertake the Consolidation in order to meet Nasdaq listing requirements as to the market price of securities to be listed.

The Company’s name will not be changed in conjunction with the Consolidation.

Principal Effects of the Consolidation

Except for any variances attributable to fractional shares, the change in the number of issued and outstanding common shares that will result from the Consolidation will cause no change in the capital attributable to the common shares and will not materially affect any Shareholder's percentage ownership in the Company, even though such ownership will be represented by a smaller number of common shares.

Furthermore, the Consolidation will not affect any shareholder's proportionate voting rights. Each common share outstanding after the Consolidation will be entitled to one vote. The principal effects of the Consolidation will be that the number of common shares issued and outstanding will be reduced from 378,736,746 common shares to approximately 378,736 common shares post-consolidation (subject to adjustment for fractional shares), assuming the maximum consolidation ratio of one-thousand (1,000) Pre-Consolidation Shares for one (1) Post-Consolidation Share.

Should the Consolidation be approved by Shareholders, accepted by the TSXV and implemented by the Board, shareholders who hold share certificates will be required to exchange their share certificates representing the Pre-Consolidation Shares for new share certificates representing Post-Consolidation Shares. Each outstanding stock option, warrant, right or other security of the Company convertible into Pre-Consolidation Shares will, on the effective date of the implementation of the Consolidation, be adjusted pursuant to the terms thereof on the same consolidation ratio as described in the Consolidation Resolution below, and each holder of Pre-Consolidation Shares will become entitled to receive Post-Consolidation Shares pursuant to such adjusted terms.

If the Board determines to implement the Consolidation, it is expected that Computershare will send a letter of transmittal to each shareholder as soon as practicable after the implementation of the Consolidation. The letter of transmittal will contain instructions on how shareholders can surrender their share certificates representing Pre-Consolidation Shares to Computershare. Computershare will forward to each shareholder who has sent in their share certificates for Pre-Consolidation Shares, along with such other documents as Computershare may require, a new share certificate representing the number of Post-Consolidation Shares to which such shareholder is entitled. No share certificates will be issued for fractional shares and any fractions of a share will be rounded as set out in the Consolidation Resolution.

Shareholders should consult their own tax advisors having regard to their own particular circumstances as to any tax consequences of the Consolidation.

Effect on Non-Registered Shareholders

Non-registered shareholders holding their common shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing the Consolidation than the procedures that will be used by the Company for registered shareholders. If you hold your common shares with such a bank, broker or other nominee and if you have questions in this regard, you are encouraged to contact your nominee.

Certain Risks associated with the Consolidation

The effect of the Consolidation upon the market price of the common shares cannot be predicted with any certainty. There can be no assurance that the total market capitalization of the common shares immediately following the Consolidation will be equal to or greater than the total market capitalization immediately before the Consolidation. In addition, there can be no assurance that the per-share market

price of the common shares following the Consolidation will remain higher than the per-share market price immediately before the Consolidation or equal or exceed the direct arithmetical result of the Consolidation. In addition, a decline in the market price of the common shares after the Consolidation may result in a greater percentage decline than would occur in the absence of the Consolidation. Furthermore, the Consolidation may lead to an increase in the number of shareholders who will hold "odd lots"; that is, a number of shares not evenly divisible into board lots (a board lot is either 100, 500 or 1,000 shares, depending on the price of the shares). The cost to shareholders transferring an odd lot of common shares may be somewhat higher than the cost of transferring a "board lot". Nonetheless, despite the risks and the potential increased cost to shareholders in transferring odd lots of post-Consolidation common shares, the Board believes the Consolidation is in the best interest of all shareholders.

No Dissent Rights

Under the *Business Corporations Act* (British Columbia), shareholders do not have dissent and appraisal rights with respect to the proposed Consolidation.

Shareholders will be asked at the Meeting to pass an ordinary resolution substantially as set out below:

"BE IT RESOLVED THAT:

1. Subject to receipt of all regulatory approvals including TSXV acceptance, the authorized share structure of the Company be altered by consolidating the total number of issued and outstanding common shares of the Company on the basis of one (1) post-consolidation common share of the Company (the "**Post-Consolidation Shares**") for up to every one thousand (1,000) pre-consolidation common shares of the Company currently outstanding (the "**Pre-Consolidation Shares**"), with the exact consolidation ratio to be determined by the Board in its sole discretion (the "**Consolidation**").
2. In the event the number of Pre-Consolidation Shares held by a shareholder would otherwise result in a fractional Post-Consolidation Share being issued as a result of the Consolidation:
 - (i) such fractional share being less than one-half of a Post-Consolidation Share shall be rounded down to the next whole Post-Consolidation Share; and
 - (ii) such fractional share being at least one-half of a Post-Consolidation Share shall be rounded up to the next whole Post-Consolidation Share.
3. Any one director or officer of the Company be and is hereby authorized and directed for and on behalf of the Company (whether under its corporate seal or otherwise) to execute and deliver all documents and instruments and to take all such other actions as such officer or director may deem necessary or desirable to implement the foregoing resolutions and the matters authorized thereby.
4. Notwithstanding the approval of the shareholders of the Company to the foregoing resolutions, the directors of the Company may revoke the foregoing resolutions before they are acted upon without any further approval of the shareholders of the Company."

Recommendation of the Board

The Board unanimously recommends that the shareholders approve the Consolidation by voting FOR the above resolutions.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF APPROVING THE CONSOLIDATION UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THEIR COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

ADDITIONAL INFORMATION

Additional information concerning the Company is available under its profile on the SEDAR+ website at www.sedarplus.ca. Financial information is provided in the Company's comparative financial statements and management's discussion and analysis for its most recently completed financial period which are filed on SEDAR+.

Shareholders wishing to obtain a copy of the Company's financial statements and management's discussion and analysis may contact the Company as follows:

Plantify Foods, Inc.
2264 E. 11th Avenue
Vancouver, BC, Canada V5N 1Z6
Telephone: 604 833 6820
Email: gabi@plantifyfoods.com

Management knows of no other matters to come before the Meeting other than those referred to in the notice of meeting. Should any other matters properly come before the Meeting, the shares represented by the instrument of proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy provided that such authority is granted to the proxyholder by the proxy.

The contents and sending of this information circular have been approved by the directors of the Company.

DATED at Vancouver, British Columbia, the 7th day of August, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

“Gabriel Kabazo”

Gabriel Kabazo
Chief Financial Officer and Director

APPENDIX A
AUDIT COMMITTEE CHARTER

APPENDIX A
PLANTIFY FOODS, INC.

AUDIT COMMITTEE CHARTER

1. PURPOSE

- 1.1 The Audit Committee of Plantify Foods, Inc. (the “**Corporation**”) is appointed by the board of directors of the Corporation (the “**Board**”) to assist the Board in its oversight of the Corporation’s financial reporting process, including:
- (a) The quality, objectivity and integrity of the financial reporting by the Corporation.
 - (b) The compliance by the Corporation with legal and regulatory requirements in respect of public financial disclosures.
 - (c) The qualifications, independence and performance of the Corporation’s independent auditor.
 - (d) The integrity of the Corporation’s financial reporting control processes and the performance of the Corporation’s Chief Financial Officer on financial reporting matters.
 - (e) The review and approval of management’s identification of principal financial risks and monitoring the processes which manage such risks.
- 1.2 The Audit Committee is to provide an avenue for free and open communication between the independent auditor, financial management, other employees and the Board concerning accounting and auditing matters.
- 1.3 The Audit Committee is directly responsible for the oversight of the relationship with the independent auditor, for recommending to the Board the nomination and compensation of the independent auditor and for the oversight of the performance and results of audit and audit related engagements.
- 1.4 The Audit Committee is not responsible for:
- (a) Planning or conducting audits.
 - (b) Certifying or determining the completeness, fairness or accuracy of the Corporation’s financial reporting or that the financial statements are in accordance with generally accepted accounting principles (“**GAAP**”). The fundamental responsibility for the Corporation’s financial statements and financial disclosure rests with management.
 - (c) Guaranteeing the report of the Corporation’s independent auditor.
 - (d) Conducting investigations, adjudicating disagreements (if any) between management and the independent auditor or ensuring compliance with applicable legal and regulatory requirements.

2. REPORTS

- 2.1 The Audit Committee shall report to the Board on a regular basis and, in any event, before the public disclosure by the Corporation of its quarterly and annual financial results. The reports of the Audit Committee shall include any issues of which the Audit Committee is aware with respect to the quality or integrity of the Corporation's financial statements, its compliance with legal or regulatory requirements, and the performance and independence of the Corporation's independent auditor.
- 2.2 The Audit Committee shall also approve, as required by applicable law, any Audit Committee report required for inclusion in the Corporation's publicly filed documents, including this mandate.

3. COMPOSITION

- 3.1 The members of the Audit Committee shall be three or more Board members who are appointed and may be removed by the Board on the recommendation of the Corporation's Corporate Governance, Nominating and Compensation Committee. The Chair of the Audit Committee shall be designated by the Board. Each member of the Audit Committee shall meet the independence and experience requirements of any directly relevant regulatory authority or stock exchange on which the Corporation is listed and, without limitation, shall be financially literate (or acquire such literacy within a reasonable period after appointment).

4. RESPONSIBILITIES

4.1 Independent Auditor

The Audit Committee shall:

- (a) Recommend to the Board the appointment of the independent auditor.
- (b) Obtain confirmation from the independent auditor that it ultimately is accountable, and will report directly, to the Board.
- (c) Review and approve the independent auditor's annual engagement letter and the proposals for related fees and review and discuss with the auditor the audit plans, the planned scope, areas of particular focus, materiality levels, the experience and qualifications of the senior members of the audit team and other matters of significance to the committee or auditor.
- (d) Review all reports and recommendations from the independent auditor and help to resolve any disagreements between management and the independent auditor regarding financial reporting.
- (e) Adopt policies and procedures for the pre-approval by the Audit Committee of the retention of the independent auditor by the Corporation and any of its subsidiaries for all audit and permitted non-audit services (subject to any regulatory restrictions on such services) including procedures for the delegation of authority to provide such approval to one or more members of the Audit Committee.
- (f) At least annually, review the qualifications and independence of the independent auditor. In doing so, the Audit Committee should, among other things:

- (i) review a report by the independent auditor describing: A) its internal quality-control procedures, B) any material issues raised by recent firm-wide internal quality-control reviews, peer or professional body reviews of the independent auditor, C) any material issues raised by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the independent auditor, D) any steps taken to deal with issues identified in B) and C) above, and E) all relationships between the independent auditor and the Corporation; and review periodic reports from the independent auditor regarding its independence and actively discuss with the auditor whether there are any non-audit services or relationships that may affect the objectivity and independence of the independent auditor and, if so, recommend that the Board take appropriate action to satisfy itself of the independence of the independent auditor.

4.2 Financial Statements and Related Financial Disclosures

The Audit Committee shall, as it determines to be appropriate:

- (a) Review with management and, where appropriate, with the independent auditor:
 - (i) the Corporation's annual audited financial statements and quarterly financial statements and the Corporation's accompanying disclosure of management's discussion and analysis and, in advance of public disclosure, make recommendations to the Board as to their approval and publication;
 - (ii) press releases which include financial information (such as earnings press releases), as well as financial information and any earnings guidance provided to analysts and rating agencies, recognizing that this review and discussion may be done generally (consisting of a discussion of the types of information to be disclosed and the types of presentations to be made) and need not always take place in advance of the disclosure of each release or provision of guidance;
 - (iii) any significant financial reporting issues, estimates and judgments made in connection with the preparation of the Corporation's financial statements, including any significant changes in the selection or application of accounting principles, any major issues regarding auditing principles and practices, and the adequacy of internal controls that could significantly affect the Corporation's financial reporting;
 - (iv) all critical accounting policies and practices used, including their application to unusual and material related party transactions;
 - (v) all alternative treatments of financial information within GAAP that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor;
 - (vi) the use of "pro forma" or "adjusted" or other non-GAAP information;
 - (vii) the effect of regulatory and accounting initiatives, as well as any off-balance sheet structures, transactions, arrangements and obligations (contingent or otherwise), on the Corporation's financial reports;

- (viii) any disclosures concerning any weaknesses or any deficiencies in the design or operation of internal financial controls or disclosure controls made to the Audit Committee by the Chief Executive Officer and the Chief Financial Officer during their approval process for forms filed with applicable securities regulators;
 - (ix) the adequacy of the Corporation's internal accounting controls and its financial, auditing and accounting organizations and personnel and any special steps adopted in light of any material control deficiencies; and
 - (x) the Corporation's guidelines and policies with respect to risk assessment, the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- (b) Review with the independent auditor:
- (i) the quality, as well as the acceptability of the accounting principles that have been applied and of significant judgements made in estimating amounts;
 - (ii) accounting and/or auditing issues related to the Corporation which were discussed by the auditors with their national office;
 - (iii) any problems or difficulties the independent auditor may have encountered during the provision of its audit-related services, including any restrictions on the scope of activities or access to requested information and any significant disagreements with management, any management letter provided by the independent auditor or other material communication (including any schedules of unadjusted differences) to management and the Corporation's response to that letter or communication;
 - (iv) any changes to the Corporation's significant auditing and accounting principles and practices suggested by the independent auditor or other members of management;
 - (v) other matters required to be communicated to the Audit Committee under generally accepted auditing standards; and
 - (vi) the adequacy of procedures for the preparation of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements.
- (c) Review the hiring and/or the termination of the Chief Financial Officer, the chief internal auditor, if one is appointed, the mandates of such officers and the adequacy of the human resources dedicated to financial and accounting functions, and communicate the results of the review to the Corporation's Corporate Governance, Nominating and Compensation Committee.

4.3 Compliance Procedures

The Audit Committee shall, as it determines appropriate:

- (a) Obtain reports from management and/or the independent auditor that the Corporation and its subsidiary/foreign affiliated entities are in conformity with applicable legal requirements including disclosures of insider and affiliated party transactions.

- (b) Review with management and the independent auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports, which raise material issues regarding the Corporation's financial statements or accounting policies.
- (c) Advise the Board with respect to the Corporation's policies and procedures regarding compliance with applicable laws and regulations affecting financial reporting and compliance with internal policies relating to employee conduct, conflicts and integrity.
- (d) Review with the Corporation's in-house or outside counsel legal matters that may have a material impact on financial statements, the Corporation's compliance policies and any material reports or inquiries received from regulators or governmental agencies.
- (e) Review and approve the Corporation's hiring policies regarding partners, employees, and former partners and employees of the present and former external auditor of the Corporation.
- (f) Establish procedures for:
 - (i) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters; and
- (g) The confidential, anonymous submission by employees of the Corporation with concerns regarding any accounting or auditing matters.
- (h) Review the expense accounts of senior officers of the Corporation and the Corporation's wholly- owned subsidiary, Medical Facilities America, Inc., as designated by the Board at least annually and the processes for their approval and reimbursement.

4.4 Delegation

To avoid any confusion, the Audit Committee responsibilities identified above are the responsibilities of the Audit Committee and may not be allocated to a different committee.

5. MEETINGS

- 5.1 The Audit Committee shall meet at least quarterly and more frequently as circumstances require. A quorum will consist of a majority of the members present in person or by telephone and all decisions of the Committee require a majority of those present at a meeting of the Committee at which a quorum is present.
- 5.2 Minutes shall be maintained for all meetings together with materials relating to those meetings and copies will be provided to the Board.
- 5.3 Periodically, the Audit Committee shall meet separately with management, the independent auditors and any internal auditor. At its own discretion, the Committee may request any officer or employee of the Corporation or the Corporation's outside counsel or independent auditor to attend meetings of the Audit Committee or with any members of, or advisors to, the Audit Committee.
- 5.4 Except as otherwise provided above, the Audit Committee may form and delegate authority to individual members and/or subcommittees where the Audit Committee determines it is appropriate to do so. All matters dealt with by delegation shall be promptly reported to the full Committee, no later than the subsequent meeting of the full Committee.

6. INDEPENDENT ADVICE

6.1 In discharging its mandate, the Audit Committee shall have the authority to retain and compensate, at the expense of the Corporation, special legal, accounting or other advisors as the Audit Committee, in its sole discretion, determines to be necessary to permit it to carry out its duties.

7. ANNUAL EVALUATION

7.1 At least annually, the Audit Committee shall, in a manner it determines to be appropriate:

- (a) Perform a review and evaluation of the performance of the Audit Committee and its members, including the compliance of the Audit Committee with this charter.

Review and assess the adequacy of its charter and recommend to the Board any improvements to this charter that the Audit Committee determines to be appropriate.

APPENDIX B
OMNIBUS EQUITY INCENTIVE PLAN

APPENDIX B

**PLANTIFY FOODS, INC.
OMNIBUS EQUITY INCENTIVE PLAN**

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ARTICLE 1
ESTABLISHMENT, PURPOSE AND DURATION

1.1 Establishment of the Plan.

Plantify Foods, Inc., a corporation incorporated under the laws of the Province of British Columbia (the “**Corporation**”), hereby establishes an incentive compensation plan to be known as the Omnibus Equity Incentive Plan (including any Appendix, as defined below, the “**Plan**”). The Plan permits the grant of Awards (as defined below), including Options, Restricted Share Units, Deferred Share Units and Performance Share Units. The Plan shall be adopted and become effective on the date approved by the Board, subject to the prior approval of the Plan by the TSX Venture Exchange (the “**Effective Date**”). Awards granted under the Plan to Participants (as defined below) in various jurisdictions may be subject to specific terms and conditions for such grants, as may be set forth in one or more separate appendices to the Plan, subject to approval by the board of directors and/or shareholders of the Corporation, from time to time and to the extent required.

1.2 Purpose of the Plan.

The purposes of the Plan are: (i) to promote a significant alignment between Directors, Officers, Employees, Management Company Employees and Consultants (as defined below) and the growth objectives of the Corporation; (ii) to associate a portion of participating employees’ compensation with the performance of the Corporation over the long term; and (iii) to attract, motivate and retain the critical employees to drive the business success of the Corporation.

1.3 Duration of the Plan.

The Plan shall commence as of the Effective Date, as described in Section 1.1 herein, and shall remain in effect until terminated by the Board (as defined below) pursuant to Article 13 hereof.

ARTICLE 2
DEFINITIONS

Whenever used in the Plan, the following terms shall have the respective meanings set forth below, unless the context clearly requires otherwise, and when such meaning is intended, such term shall be capitalized.

“**Additional Rights**” means any general distribution of rights, including an issuance of bonus shares and share dividends (but excluding cash dividends), in connection with Awards and/or the Shares issued upon exercise or vesting of Awards.

“**Affiliate**” means any corporation, partnership or other entity (i) in which the Corporation, directly or indirectly, has majority ownership interest or (ii) which the Corporation controls. For the purposes of this definition, the Corporation is deemed to “control” such corporation, partnership or other entity if the Corporation possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation, partnership or other entity, whether through the ownership of voting securities, by contract or otherwise, and includes a corporation which is considered to be a subsidiary for purposes of consolidation under International Financial Reporting Standards.

“**Appendix**” means any appendix to the Plan adopted by the Board of Directors containing country-specific or other special terms relating to Awards including additional terms with respect to grants of certain types of equity-based Awards.

“Applicable Tax Laws” means the tax legislation of any jurisdiction applicable to a specific Participant, including the ITA with respect to Canadian Participants.

“Award” means, individually or collectively, a grant under this Plan of Options, Deferred Share Units, Restricted Share Units or Performance Units, or other allowed equity-based awards, in each case subject to the terms of this Plan, and including any Additional Rights issued in connection therewith.

“Award Agreement” means either (i) a written agreement entered into by the Corporation or an Affiliate of the Corporation and a Participant setting forth the terms and provisions applicable to Awards granted under this Plan; or (ii) a written statement issued by the Corporation or an Affiliate of the Corporation to a Participant describing the terms and provisions of such Award. All Award Agreements shall be deemed to incorporate the provisions of the Plan. An Award Agreement need not be identical to other Award Agreements either in form or substance.

“Blackout Period” means a period of time during which the Corporation prohibits Participants from exercising, redeeming or settling their Awards, due to applicable law or policies of the Corporation.

“Board” or **“Board of Directors”** means the board of directors of the Corporation.

“Cashless Exercise” has the meaning given to it in Section 6.6(a).

“Cause” means any of:

- (a) dishonesty of the Participant as it relates to the performance of his duties in the course of his employment by, or as an Officer or Director of, the Corporation or an Affiliate;
- (b) fraud committed by the Participant;
- (c) willful disclosure of confidential or private information regarding the Corporation or an Affiliate by the Participant;
- (d) the Participant aiding a competitor of the Corporation or an Affiliate;
- (e) misappropriation of a business opportunity of the Corporation or an Affiliate by the Participant;
- (f) willful misconduct or gross negligence in the performance of the Participant’s duties under his or her employment agreement;
- (g) a breach by the Participant of a material provision of his or her employment agreement or the Code of Business Conduct and Ethics adopted by the Corporation from time to time;
- (h) the willful and continued failure on the part of the Participant to substantially perform duties in the course of his employment by, or as an Officer of, the Corporation or an Affiliate, unless such failure results from an incapacity due to mental or physical illness;
- (i) willfully engaging in conduct that is demonstrably and materially injurious to the Corporation or an Affiliate, monetarily or otherwise; or
- (j) any other act or omission by the Participant which would amount to just cause for termination at common law or under the legislation of the jurisdiction in which the Participant is providing services to the Corporation or its Affiliate.

“**Change of Control**” shall occur if any of the following events occur:

- (a) the acquisition, directly or indirectly and by any means whatsoever, by any person, or by a group of persons acting jointly or in concert, of beneficial ownership or control or direction over that number of Voting Securities which is greater than 50% of the total issued and outstanding Voting Securities immediately after such acquisition, unless such acquisition arose as a result of or pursuant to:
 - (i) an acquisition or redemption by the Corporation of Voting Securities which, by reducing the number of Voting Securities outstanding, increases the proportionate number of Voting Securities beneficially owned by such person to 50% or more of the Voting Securities then outstanding;
 - (ii) acquisitions of Voting Securities which were made pursuant to a dividend reinvestment plan of the Corporation;
 - (iii) the receipt or exercise of rights issued by the Corporation to all the holders of Voting Securities to subscribe for or purchase Voting Securities or securities convertible into Voting Securities, provided that such rights are acquired directly from the Corporation and not from any other person;
 - (iv) a distribution by the Corporation of Voting Securities or securities convertible into Voting Securities for cash consideration made pursuant to a public offering or by way of a private placement by the Corporation (“**Exempt Acquisitions**”);
 - (v) a stock-dividend, a stock split or other event pursuant to which such person receives or acquires Voting Securities or securities convertible into Voting Securities on the same pro rata basis as all other holders of securities of the same class (“**Pro-Rata Acquisitions**”); or
 - (vi) the exercise of securities convertible into Voting Securities received by such person pursuant to an Exempt Acquisition or a Pro-Rata Acquisition (“**Convertible Security Acquisitions**”);

provided, however, that if a person shall acquire 50% or more of the total issued and outstanding Voting Securities by reason of any one or a combination of (1) acquisitions or redemptions of Voting Securities by the Corporation, (2) Exempt Acquisitions, (3) Pro-Rata Acquisitions, or (4) Convertible Security Acquisitions and, after such share acquisitions or redemptions by the Corporation or Exempt Acquisitions or Pro-Rata Acquisitions or Convertible Security Acquisitions, acquires additional Voting Securities exceeding one per cent of the Voting Securities outstanding at the date of such acquisition other than pursuant to any one or a combination of Exempt Acquisitions, Convertible Security Acquisitions or Pro-Rata Acquisitions, then as of the date of such acquisitions such acquisition shall be deemed to be a “**Change of Control**”;

- (b) the replacement by way of election or appointment at any time of one-half or more of the total number of the then incumbent members of the Board of Directors, unless such election or appointment is approved by 50% or more of the Board of Directors in office immediately preceding such election or appointment in circumstances where such election or appointment is to be made other than as a result of a dissident public proxy solicitation, whether actual or threatened; and

- (c) any transaction or series of transactions, whether by way of reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, whereby all or substantially all of the shares or assets of the Corporation become the property of any other person (the “**Successor Entity**”) (other than a subsidiary of the Corporation), unless:
- (i) individuals who were holders of Voting Securities immediately prior to such transaction hold, as a result of such transaction, in the aggregate, more than 50% of the voting securities of the Successor Entity;
 - (ii) a majority of the members of the board of directors of the Successor Entity is comprised of individuals who were members of the Board of Directors immediately prior to such transaction; and
 - (iii) after such transaction, no person or group of persons acting jointly or in concert, holds more than 50% of the voting securities of the Successor Entity unless such person or group of persons held securities of the Corporation in the same proportion prior to such transaction.

“**Change of Control Price**” means, unless otherwise determined by the Board, (i) the highest price per Share offered in conjunction with any transaction resulting in a Change of Control (as determined in good faith by the Committee if any part of the offered price is payable other than in cash), or (ii) in the case of a Change of Control occurring solely by reason of a change in the composition of the Board, the highest FMV of the Shares on any of the thirty (30) trading days immediately preceding the date on which a Change of Control occurs, except if the relevant Participant is subject to taxation under Applicable Tax Laws such Change of Control price shall be deemed to be a price determined by the Committee based on the closing price of a Share on the Exchange on the trading day preceding the Change of Control date or based on the volume weighted average trading price of the Shares on the Exchange for the five trading days immediately preceding the Change of Control date.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended from time to time, or any successor thereto.

“**Committee**” means the Board of Directors, or if so delegated by the Board, any duly authorized committee of the Board appointed by the Board to administer the Plan.

“**Company**” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

“**Consultant**” means, in relation to the Corporation, an individual (other than a Director, Officer or Employee of the Corporation or of any of its subsidiaries) or Company that:

- (a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its subsidiaries, other than services provided in relation to a Distribution (as such term is defined in the policies of the TSXV);
- (b) provides the services under a written contract between the Corporation or any of its subsidiaries and the individual or the Corporation, as the case may be; and
- (c) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or of any of its subsidiaries.

“Consultant Company” means a Consultant that is a Company.

“Corporation” means Plantify Foods, Inc., a corporation incorporated under the laws of the Province of British Columbia, and any successor thereto as provided in Article 15 herein.

“Deferred Share Unit” means an Award denominated in units that provides the holder thereof with a right to receive, in the Committee’s discretion, Shares or cash equal to the value of the vested Shares upon settlement of the Award, granted under Article 8 herein and subject to the terms of this Plan.

“Director” means any individual who is a director (as defined under Securities Laws) of the Corporation or of any of its subsidiaries.

“Discounted Market Price” shall have the meaning ascribed thereto in Policy 1.1.

“Dividend Equivalent” means a right with respect to an Award to receive cash, Shares or other property equal in value and form to dividends declared by the Board and paid with respect to outstanding Shares. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement, and if specifically provided for in the Award Agreement shall be subject to the Plan and such other terms and conditions set forth in the Award Agreement as the Committee shall determine.

“Employee” means:

- (a) an individual who is considered an employee of the Corporation or of its subsidiary under Applicable Tax Laws and for whom income tax, employment insurance and pension plan and/or other social deductions must be made at source;
- (b) an individual who works full-time for the Corporation or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or its subsidiary over the details and methods of work as an employee of the Corporation or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source; or
- (c) an individual who works for the Corporation or its subsidiary on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or its subsidiary over the details and methods of work as an employee of the Corporation or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source.

“Exchange” means the TSXV or, if at any time the Shares are not listed and posted for trading on the TSXV, shall be deemed to mean such other stock exchange or trading platform upon which the Shares trade and which has been designated by the Committee.

“Fiscal Year” means the Corporation’s fiscal year commencing on January 1 and ending on December 31 or such other fiscal year as approved by the Board.

“FMV” means, unless otherwise required by any applicable provision of the Code or any regulations thereunder or by any applicable accounting standard for the Corporation’s desired accounting for Awards or by the rules of the Exchange, a price that is determined by the Committee, provided that, unless otherwise determined by the Board, such price cannot be less than the greater of (i) the volume weighted average trading price of the Shares on the Exchange for the five trading days immediately prior to the grant date,

(ii) the closing price of the Shares on the Exchange on the trading day immediately prior to the grant date or (iii) the closing price of the Shares on the Exchange on the grant date.

“**Insider**” shall have the meaning ascribed thereto in Policy 1.1.

“**Investor Relations Activities**” shall have the meaning ascribed thereto in Policy 1.1.

“**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.

“**Issued Shares**” means, at any time, the number of Shares that are then issued and outstanding on a non-diluted basis and, in the discretion of the Exchange, may include a number of securities of the Corporation, other than Security Based Compensation, warrants and convertible debt, that are convertible into Shares.

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

“**Material Information**” means a Material Fact and/or Material Change as such terms are defined by applicable Securities Laws and Exchange policies.

“**Management Company Employee**” means an individual employed by a Company providing management services to the Corporation, which services are required for the ongoing successful operation of the business enterprise of the Corporation.

“**New Exercise**” has the meaning given to it in Section 6.6(b).

“**Officer**” means an officer (as defined under Securities Laws) of the Corporation or of any of its subsidiaries.

“**Option**” means the conditional right to purchase Shares at a stated Option Price for a specified period of time subject to the terms of this Plan.

“**Option Price**” means the price at which a Share may be purchased by a Participant pursuant to an Option, as determined by the Committee.

“**Participant**” means a Director, Officer, Employee, Management Company Employee or Consultant that is the recipient of an Award granted or issued by the Corporation.

“**Performance Goal**” means a performance criterion selected by the Committee for a given Award.

“**Performance Period**” means the period of time during which the assigned performance criteria must be met in order to determine the degree of payout and/or vesting with respect to an Award, as set out in the applicable Award Agreement.

“**Performance Share Unit**” means an Award granted under Article 9 herein and subject to the terms of this Plan, denominated in units, the value of which at the time it is payable is determined as a function of the extent to which corresponding performance criteria have been achieved.

“**Period of Restriction**” means the period when an Award of Restricted Share Units is subject to forfeiture based on the passage of time, the achievement of performance criteria, and/or upon the occurrence of other events as determined by the Committee, in its discretion, as set out in the applicable Award Agreement.

“**Person**” shall have the meaning ascribed to such term in Section 1(1) of the Securities Act.

“**Policy 1.1**” means Policy 1.1 – *Interpretation* of the TSXV.

“**Policy 4.4**” means Policy 4.4 – *Security Based Compensation* of the TSXV.

“**Restricted Share Unit**” means an Award denominated in units subject to a Period of Restriction, with a right to receive, in the Committee’s discretion, Shares or cash equal to the FMV of the vested Shares upon settlement of the Award, granted under Article 7 herein and subject to the terms of this Plan.

“**Securities Act**” means the *Securities Act* (British Columbia), as may be amended from time to time.

“**Securities Laws**” means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to the Corporation.

“**Security Based Compensation**” has the meaning ascribed thereto in Policy 4.4.

“**Security Based Compensation Plan**” has the meaning ascribed thereto in Policy 4.4.

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

“**Successor Entity**” has the meaning ascribed thereto under subsection (c) of the definition of Change of Control.

“**Termination Date**” means, unless otherwise determined by the Committee, in the case of a Participant whose employment or term of office or engagement with the Corporation or an Affiliate terminates (i) by reason of the Participant’s death, the date of death; or (ii) for any reason whatsoever other than death, including but not limited to disability and termination with or without cause, the date of the Participant’s last day actively at work for or actively engaged by the Corporation or the Affiliate, as the case may be; and for greater certainty “Termination Date” in any such case specifically does not mean the date on which any period of contractual notice or reasonable notice that the Corporation or the Affiliate, as the case may be, may be required at law to provide to a Participant would expire.

“**Trading Day**” means a day when trading occurs through the facilities of the Exchange.

“**TSXV**” means the TSX Venture Exchange.

“**Voting Securities**” shall mean any securities of the Corporation ordinarily carrying the right to vote at elections of Directors and any securities immediately convertible into or exchangeable for such securities.

“**VWAP**” means the volume weighted average trading price of the Corporation’s Shares on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five Trading Days immediately preceding the exercise of the subject Stock Option, provided that where appropriate, the Exchange may exclude internal crosses and certain other special terms trades from the calculation.

ARTICLE 3 ADMINISTRATION

3.1 General.

The Committee shall be responsible for administering the Plan. The Committee may employ attorneys, consultants, accountants, agents and other individuals, any of whom may be an Employee, and the Committee, the Corporation, and its Officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee shall be final, conclusive and binding upon the Participants, the Corporation, and all other interested parties.

3.2 Authority of the Committee.

The Committee shall have full and exclusive discretionary power to interpret the terms and the intent of the Plan and any Award Agreement or other agreement ancillary to or in connection with the Plan, to determine eligibility for Awards, and to adopt such rules, regulations and guidelines for administering the Plan as the Committee may deem necessary or proper. Such authority shall include, but not be limited to, selecting Award recipients, establishing all Award terms and conditions, including grant, exercise price, issue price and vesting terms, determining Performance Goals applicable to Awards and whether such Performance Goals have been achieved, making adjustments under Section 4.10 and, subject to Article 13, adopting modifications and amendments, or subplans to the Plan or any Award Agreement, including, without limitation, any that are necessary or appropriate to comply with the laws or compensation practices of the jurisdictions in which the Corporation and Affiliates operate.

3.3 Delegation.

The Committee may delegate to one or more of its members any of the Committee's administrative duties or powers as it may deem advisable; provided, however, that any such delegation must be permitted under applicable corporate law.

ARTICLE 4 SHARES SUBJECT TO THE PLAN AND MAXIMUM AWARDS

4.1 Number of Shares Available for Awards.

The Plan is a "rolling up to 10% and fixed up to 10%" Security Based Compensation Plan, as defined in Policy 4.4. The Plan is a: (a) "rolling" plan pursuant to which the number of Shares that are issuable pursuant to the exercise of Options granted hereunder shall not exceed 10% of the Issued Shares as at the date of any Option grant, and (b) "fixed" plan under which the number of Shares that are issuable pursuant to all Awards other than Options granted hereunder and under any other Security Based Compensation Plan of the Corporation, in aggregate is a maximum of **14,597,636** Shares, in each case, subject to adjustment as provided in Section 4.10 herein.

4.2 Specific Allocations

The Corporation cannot grant or issue an Award hereunder unless and until the Award has been allocated to a particular Participant.

4.3 Limits for Individuals

Unless the Corporation has obtained the requisite disinterested shareholder approval pursuant to Policy 4.4, the maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12 month period to any one Person must not exceed 5% of the Issued Shares, calculated as at the date any Security Based Compensation is granted or issued to the Person, except that

securities that are expressly permitted and accepted by the Exchange for filing under Part 6 of Policy 4.4 shall not be included in calculating this 5% limit.

4.4 Limits for Consultants

The maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12 month period to any one Consultant must not exceed 2% of the Issued Shares, calculated as at the date any Security Based Compensation is granted or issued to the Consultant, except that securities that are expressly permitted and accepted for filing under Part 6 of Policy 4.4 shall not be included in calculating this 2% limit.

4.5 Limits for Investor Relations Service Providers

- (a) Investor Relations Service Providers may not receive any Award other than Options.
- (b) The maximum aggregate number of Shares that are issuable pursuant to all Options granted in any 12 month period to all Investor Relations Service Providers in aggregate shall not exceed 2% of the Issued Shares, calculated as at the date any Option is granted to any such Investor Relations Service Provider.
- (c) Options granted to any Investor Relations Service Provider shall vest in stages over a period of not less than 12 months such that:
 - (i) no more than 1/4 of the Options vest no sooner than three months after the Options were granted;
 - (ii) no more than another 1/4 of the Options vest no sooner than six months after the Options were granted;
 - (iii) no more than another 1/4 of the Options vest no sooner than nine months after the Options were granted; and
 - (iv) the remainder of the Options vest no sooner than 12 months after the Options were granted.

4.6 Minimum Price for Security Based Compensation other than Options

Where the value of an Award other than Options is initially tied to market price, the applicable market price shall be determined by the Committee and shall be specified in the Award Agreement, and shall not be less than the FMV. A minimum price cannot be established unless the Awards are allocated to particular Persons.

4.7 Hold Period and Escrow

All Awards and Shares issuable thereunder are subject to any applicable resale restrictions under Securities Laws and the Exchange Hold Period (as defined in the policies of the TSXV), and shall have affixed thereto any legends required under Securities Laws and the policies of the Exchange.

4.8 Other Restrictions

The Plan is subject to the following provisions:

- (a) Awards shall not entitle a Participant to any shareholder rights (including, without limitation, voting rights, dividend entitlement or rights on liquidation) until such time as underlying Shares are issued to such Participant; provided, other than an accrual of dividends accepted by the Exchange;
- (b) all Awards are non-assignable and non-transferable;
- (c) the maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation granted or issued to Insiders (as a group) shall not exceed 10% of the Issued Shares at any point in time (unless the Corporation has obtained the requisite disinterested Shareholder approval pursuant to Section 5.3 of Policy 4.4);
- (d) the maximum aggregate number of Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12 month period to Insiders (as a group) shall not exceed 10% of the Issued Shares, calculated as at the date any Security Based Compensation is granted or issued to any Insider (unless the Corporation has obtained the requisite disinterested Shareholder approval pursuant to Section 5.3 of Policy 4.4);
- (e) if a Participant's heirs or administrators are entitled to any portion of an outstanding Award, the period in which they can make such claim shall not exceed one year from the Participant's death;
- (f) for Awards granted or issued to Employees, Consultants or Management Company Employees, the Corporation and the Participant are responsible for ensuring and confirming that the Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be; and
- (g) any Award granted or issued to any Participant who is a Director, Officer, Employee, Consultant or Management Company Employee shall expire in accordance with the provisions of the Plan, but in any event, within a reasonable period, not exceeding 12 months, following the date the Participant ceases to be an eligible Participant under the Plan.

4.9 Blackout Periods

Notwithstanding the expiry date, redemption date or settlement date of any Award, such expiry date, redemption date or settlement date, as applicable, of the Award shall be extended to the tenth business day following the last day of a Blackout Period if the expiry date would otherwise occur in a Blackout Period. The following requirements are applicable to any such automatic extension provision:

- (a) the Blackout Period must be formally imposed by the Corporation pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information;
- (b) the automatic extension of the expiry date, redemption date or settlement date, as applicable, of a Participant's Award is not to be permitted where the Participant or the Corporation is subject to a cease trade order (or similar order under Securities Laws) in respect of the Corporation's securities; and
- (c) the automatic extension is available to all eligible Participants under the Plan under the same terms and conditions.

4.10 Adjustments in Authorized Shares.

Subject to the approval of the Exchange, where applicable, in the event of any corporate event or transaction (collectively, a “**Corporate Reorganization**”) (including, but not limited to, a change in the Shares or the capitalization of the Corporation) such as a merger, arrangement or amalgamation that does not constitute a Change of Control under Article 12, or a consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Corporation, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Corporation, or any similar corporate event or transaction, the Committee shall make or provide for such adjustments or substitutions, as applicable, in the number and kind of Shares that may be issued under the Plan, the number and kind of Shares subject to outstanding Awards, the Option Price or FMV applicable to outstanding Awards, the number of Shares eligible to be issued hereunder, and any other value determinations applicable to outstanding Awards or to this Plan, as are equitably necessary to prevent dilution or enlargement of Participants’ rights under the Plan that otherwise would result from such Corporate Reorganization, unless otherwise determined by the Board. In connection with a Corporate Reorganization, the Committee shall have the discretion to permit a holder of Options to purchase (at the times, for the consideration, and subject to the terms and conditions set out in this Plan) and the holder will then accept on the exercise of such Option, in lieu of the Shares that such holder would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that such holder would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, that holder had owned all Shares that were subject to the Option. Such adjustments shall be made automatically, without the necessity of Committee action, on the customary arithmetical basis in the case of any stock split, including a stock split effected by means of a stock dividend, and in the case of any other dividend paid in Shares.

The Committee may also, in its sole discretion, make appropriate adjustments in the terms of any Awards under the Plan as are equitably necessary to reflect such Corporate Reorganization and may modify any other terms of outstanding Awards, including modifications of performance criteria and changes in the length of Performance Periods. The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under the Plan, provided that any such adjustments shall comply with Section 409A of the Code with respect to any U.S. Participants and the rules of any stock exchange, including but not limited to the Exchange, or market upon which such Shares are listed or traded.

Subject to the provisions of Article 11 and any applicable law or regulatory requirement, without affecting the number of Shares reserved or available hereunder, the Committee may authorize the issuance, assumption, substitution or conversion of Awards under this Plan in connection with any such corporate event or transaction, upon such terms and conditions as it may deem appropriate. Additionally, the Committee may amend the Plan, or adopt supplements to the Plan, in such manner as it deems appropriate to provide for such issuance, assumption, substitution or conversion as provided in the previous sentence.

ARTICLE 5 ELIGIBILITY AND PARTICIPATION

5.1 Eligibility.

Only a Director, Officer, Employee, Management Company Employee or Consultant of the Corporation or of any of its subsidiaries is eligible to participate in the Plan. Except in relation to Consultant Companies, Awards may be granted only to an individual or to a Company that is wholly owned by individuals eligible to receive Awards. If the Participant is a Company, excluding Participants that are Consultant Companies, it must provide the Exchange with a completed Certification and Undertaking Required from a Company

Granted Security Based Compensation in the form of Schedule “A” to Form 4G - *Summary Form – Security Based Compensation*, as provided for in Policy 4.4. Any Company to be granted an Award, other than a Consultant Company, must agree not to effect or permit any transfer of ownership or option of securities of the Company or to issue further shares of any class in the Company to any other individual or entity as long as the Security Based Compensation remains outstanding, except with the prior written consent of the TSXV.

5.2 Actual Participation.

Subject to the provisions of the Plan, the Committee may, from time to time, in its sole discretion select from among eligible Directors, Officers, Employees, Management Company Employees and Consultants of the Corporation or of any of its subsidiaries, those to whom Awards shall be granted under the Plan, and shall determine in its discretion the nature, terms, conditions and amount of each Award in accordance with the Plan.

ARTICLE 6 STOCK OPTIONS

6.1 Grant of Options.

Subject to the terms and provisions of the Plan, Options may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee in its discretion, and subject to the terms of the Plan.

6.2 Additional Terms for Options

The following provisions apply to all Option Awards:

- (a) Options can be exercisable for a maximum of 10 years from the date of grant, subject to extension where the expiry date falls within a Blackout Period, as provided for in Section 4.9; and
- (b) disinterested Shareholder approval pursuant to Policy 4.4 shall be obtained for any reduction in the exercise price of an Option, or the extension of the term of an Option, if the Participant is an Insider of the Corporation at the time of the proposed amendment.

6.3 Award Agreement.

Each Option grant shall be evidenced by an Award Agreement that shall specify the Option Price, the duration of the Option, the number of Shares to which the Option pertains, the conditions upon which an Option shall become vested and exercisable, and any such other provisions as the Committee shall determine.

6.4 Option Price.

The Option Price for each grant of an Option under this Plan shall be determined by the Committee and shall be specified in the Award Agreement. The minimum exercise price of an Option shall be equal to the Discounted Market Price. A minimum exercise price cannot be established unless the Options are allocated to particular Persons.

6.5 Duration of Options.

Subject to Section 4.9 and Section 6.2(a), each Option granted to a Participant shall expire at such time as the Committee shall determine at the time of grant.

6.6 Exercise of Options.

Options granted under this Article 6 shall be exercisable at such times and on the occurrence of such events, and be subject to such restrictions and conditions, as the Committee shall in each instance approve, which need not be the same for each grant or for each Participant. Without limiting the foregoing, the Committee may, in its sole discretion, permit the exercise of an Option through either:

- (a) a cashless exercise (a “**Cashless Exercise**”) mechanism, whereby the Corporation has an arrangement with a brokerage firm pursuant to which the brokerage firm:
 - (i) agrees to loan money to a Participant to purchase the Shares underlying the Options to be exercised by the Participant;
 - (ii) then sells a sufficient number of Shares to cover the exercise price of the Options in order to repay the loan made to the Participant; and
 - (iii) receives an equivalent number of Shares from the exercise of the Options and the Participant receives the balance of Shares pursuant to such exercise, or the cash proceeds from the sale of the balance of such Shares (or in such other portion of Shares and Cash as the broker and Participant may otherwise agree); or
- (b) a net exercise (a “**Net Exercise**”) mechanism, whereby Options, excluding Options held by any Investor Relations Service Provider, are exercised without the Participant making any cash payment so the Corporation does not receive any cash from the exercise of the subject Options, and instead the Participant receives only the number of underlying Shares that is the equal to the quotient obtained by dividing:
 - (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options; by
 - (ii) the VWAP of the underlying Shares.

6.7 Payment.

Options granted under this Article 6 shall be exercised by the delivery of a notice of exercise to the Corporation or an agent designated by the Corporation in a form specified or accepted by the Committee, or by complying with any alternative procedures which may be authorized by the Committee, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment for the Shares. Subject to Section 6.6, the Option Price upon exercise of any Option shall be payable to the Corporation in full either: (a) by certified cheque or wire transfer; or (b) by any other method approved or accepted by the Committee in its sole discretion subject to the rules of the Exchange and such rules and regulations as the Committee may establish. Subject to Section 6.8 and any governing rules or regulations, as soon as practicable after receipt of a notification of exercise and full payment for the Shares, the Shares in respect of which the Option has been exercised shall be issued as fully-paid and non-assessable shares of the Corporation. As of the business day the Corporation receives such notice and such payment, the Participant (or the person claiming through him, as the case may be) shall be entitled to be entered on the share register of the Corporation as the holder of the number of Shares in respect of which the Option was

exercised and to receive as promptly as possible thereafter a certificate or evidence of book entry representing the said number of Shares. The Corporation shall cause to be delivered to or to the direction of the Participant Share certificates or evidence of book entry Shares in an appropriate amount based upon the number of Shares purchased under the Option(s) as soon as reasonably practicable following the issuance of such Shares.

6.8 Restrictions on Share Transferability.

The Committee may impose such restrictions on any Shares acquired pursuant to the exercise of an Option granted pursuant to this Plan as it may deem advisable, including, without limitation, requiring the Participant to hold the Shares acquired pursuant to exercise for a specified period of time, or restrictions under applicable laws or under the requirements of any stock exchange or market upon which such Shares are listed and/or traded.

6.9 Death and Termination of Employment.

- (a) Death: Unless otherwise determined by the Committee, if a Participant dies while an Employee, Director of, or Consultant to, the Corporation or an Affiliate:
 - (i) the executor or administrator of the Participant's estate may exercise Options of the Participant equal to the number of Options that were exercisable at the Termination Date;
 - (ii) the right to exercise such Options terminates on the earlier of: (i) the date that is **12 months** after the Termination Date; and (ii) the date on which the exercise period of the particular Option expires. Any Options held by the Participant that are not yet vested at the Termination Date immediately expire and are cancelled and forfeited to the Corporation on the Termination Date; and
 - (iii) such Participant's eligibility to receive further grants of Options under the Plan ceases as of the Termination Date.
- (b) Termination of Employment: Except as may otherwise be set out in a Participant's employment agreement (which shall have paramountcy over this clause) or as otherwise determined by the Committee, where a Participant's employment or term of office or engagement terminates for any reason other than death (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice) including disability, then:
 - (i) any Options held by the Participant that are exercisable at the Termination Date continue to be exercisable by the Participant until the earlier of:
 - (A) other than where the Participant is terminated for Cause, the date that is **three months** after the Termination Date; and
 - (B) the date on which the exercise period of the particular Option expires,except as otherwise provided in the Participant's employment contract or such date as is otherwise determined by the Board. Notwithstanding the foregoing or any term of an employment contract, in no event shall such right extend beyond the Option Period or one year from the Termination Date;

- (ii) where the Participant is terminated for Cause, any Options held by the Participant that are exercisable at the Termination Date shall be immediately cancelled and forfeited to the Corporation on the Termination Date for no consideration;
- (iii) any Options held by the Participant that are not yet vested at the Termination Date immediately expire and are cancelled and forfeited to the Corporation on the Termination Date;
- (iv) the eligibility of a Participant to receive further grants under the Plan ceases as of the date that the Corporation or an Affiliate, as the case may be, provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated, notwithstanding that such date may be prior to the Termination Date; and
- (v) notwithstanding 6.9(b)(i) and 6.9(b)(ii) above, unless the Committee, in its sole discretion, otherwise determines, at any time and from time to time, Options are not affected by a change of employment arrangement within or among the Corporation or an Affiliate for so long as the Participant continues to be an employee of the Corporation or an Affiliate.

6.10 Non-transferability of Options.

An Option granted under this Article 6 may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution.

ARTICLE 7 RESTRICTED SHARE UNITS

7.1 Grant of Restricted Share Units.

Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Restricted Share Units to Participants in such amounts and upon such terms as the Committee shall determine.

7.2 Restricted Share Unit Agreement.

Each Restricted Share Unit grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction, the number of Restricted Share Units granted, the settlement date for Restricted Share Units, and any such other provisions as the Committee shall determine, provided that, no Restricted Share Unit shall vest (i) earlier than one year, or (ii) later than three years after the date of grant, except that the Committee may in its sole discretion accelerate the vesting required by this Section 7.2 for a Participant who dies or who ceases to be an eligible Participant under the Plan in connection with a Change of Control.

7.3 Non-transferability of Restricted Share Units.

The Restricted Shares Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated or disposed of by the Participant, whether voluntarily or by operation of law, otherwise than by testate succession of the laws of descent and distribution, until the end of the applicable Period of Restriction specified in the Award Agreement and until the date of settlement through delivery or other payment, and any attempt to do so will cause such Restricted Share Units to be null and void. A vested Restricted Share Unit shall be redeemable only by the Participant and, upon the death of a

Participant, the person to whom the rights shall have passed by testate succession or by the laws of descent and distribution may redeem any vested Restricted Share Units in accordance with the provisions of Section 7.7.

7.4 Other Restrictions.

The Committee shall impose, in the Award Agreement at the time of grant or anytime thereafter, such other conditions and/or restrictions on any Restricted Share Units granted pursuant to this Plan as it may deem advisable, including, without limitation, a requirement that Participants pay a stipulated purchase price for each Restricted Share Unit, restrictions based upon the achievement of specific performance criteria, time-based restrictions on vesting following the attainment of the performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of any stock exchange or market upon which such Shares are listed or traded, or holding requirements or sale restrictions placed on the Shares by the Corporation upon vesting of such Restricted Share Units.

To the extent deemed appropriate by the Committee, the Corporation may retain the certificates representing Shares delivered in settlement of Restricted Share Units, in the Corporation's possession until such time as all conditions and/or restrictions applicable to such Shares have been satisfied or lapse. Restricted Share Units shall be settled through payment in Shares.

7.5 Voting Rights.

A Participant shall have no voting rights with respect to any Restricted Share Units granted hereunder.

7.6 Dividends and Other Distributions.

During the Period of Restriction, Participants holding Restricted Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in accordance with the Plan and otherwise in such a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares and Awards, provided that any Dividend Equivalents paid in the form of additional Awards shall reduce the applicable pool of Shares available for issuance of Awards. Further, any additional Awards credited to the Participant's account in satisfaction of payment of dividends or Dividend Equivalents will vest in proportion to and will be paid under the Plan in the same manner as the Awards to which they relate.

7.7 Death and other Termination of Employment.

- (a) Death: Unless otherwise determined by the Committee, if a Participant dies while an Employee, Director of, or Consultant to, the Corporation or an Affiliate:
 - (i) any Restricted Share Units held by the Participant that have not vested as at the Termination Date shall vest immediately;
 - (ii) any Restricted Share Units held by the Participant that have vested (including Restricted Share Units vested in accordance with Section 7.7(a)(i)) as at the Termination Date, shall be paid to the Participant's estate in accordance with the terms of the Plan and Award Agreement;

- (iii) any settlement or redemption of any Restricted Share Units shall occur within **12 months** following the Termination Date; and
 - (iv) such Participant's eligibility to receive further grants of Restricted Share Units under the Plan ceases as of the Termination Date.
- (b) Termination other than Death: Unless determined otherwise by the Committee, or as may otherwise be set out in a Participant's employment agreement (which shall have paramountcy over this clause), where a Participant's employment or term of office or engagement terminates for any reason other than death (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice) including disability, then:
- (i) any Restricted Share Units held by the Participant that have vested before the Termination Date shall be paid to the Participant, and any Restricted Share Units held by the Participant that are not yet vested at the Termination Date will be immediately cancelled and forfeited to the Corporation on the Termination Date;
 - (ii) the eligibility of a Participant to receive further grants under the Plan ceases as of the date that the Corporation or an Affiliate provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated, notwithstanding that such date may be prior to the Termination Date;
 - (iii) notwithstanding Section 7.7(b)(i), unless the Committee, in its sole discretion, otherwise determines, at any time and from time to time, Restricted Share Units are not affected by a change of employment arrangement within or among the Corporation or an Affiliate for so long as the Participant continues to be an employee of the Corporation or an Affiliate; and
 - (iv) other than where the Participant is terminated for Cause, any settlement or redemption of any Restricted Share Units shall occur within three months following the Termination Date; and
 - (v) where the Participant is terminated for Cause, any Restricted Share Units held by the Participant shall be immediately cancelled and forfeited to the Corporation on the Termination Date for no consideration.

7.8 Payment in Settlement of Restricted Share Units.

When and if Restricted Share Units become payable, the Participant issued such units shall be entitled to receive payment from the Corporation in settlement of such units of, in the Committee's discretion, cash or Shares (issued from treasury) of equivalent value (based on the FMV, as defined in the Award Agreement at the time of grant or thereafter by the Committee).

ARTICLE 8 DEFERRED SHARES UNITS

8.1 Grant of Deferred Share Units.

Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Deferred Share Units to Participants in such amounts and upon such terms as the Committee shall

determine, provided that, (i) no Deferred Share Unit shall vest earlier than one year after the date of grant, except that the Committee may in its sole discretion accelerate the vesting required by this Section 8.1 for a Participant who dies or who ceases to be an eligible Participant under the Plan in connection with a Change of Control, and (ii) any settlement or redemption of any vested Deferred Share Units shall only occur after the Termination Date.

8.2 Deferred Share Unit Agreement.

Each Deferred Share Unit grant shall be evidenced by an Award Agreement that shall specify the number of Deferred Share Units granted, the settlement date for Deferred Share Units, and any other provisions as the Committee shall determine, including, but not limited to a requirement that Participants pay a stipulated purchase price for each Deferred Share Unit, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of any stock exchange or market upon which the Shares are listed or traded, or holding requirements or sale restrictions placed on any Shares by the Corporation upon vesting of such Deferred Share Units.

8.3 Non-transferability of Deferred Share Units.

The Deferred Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated. All rights with respect to the Deferred Share Units granted to a Participant under the Plan shall be available during such Participant's lifetime only to such Participant.

8.4 Termination of Employment, Consultancy or Directorship

Each applicable Award Agreement shall set forth the extent to which the Participant shall have the right to retain Deferred Share Units following termination of the Participant's employment or other relationship with the Corporation or Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Deferred Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination. Any settlement or redemption of any vested Deferred Share Units shall occur within one year following the Termination Date. Notwithstanding the foregoing, in the event the Participant is terminated for Cause, all vested and unvested Deferred Share Units shall be immediately cancelled and forfeited to the Corporation on the Termination Date for no consideration, unless otherwise determined by the Committee on or before the Termination Date.

8.5 Dividends and Other Distributions.

Participants holding outstanding Deferred Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in accordance with the Plan and otherwise in such a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares and Awards, provided that any Dividend Equivalents paid in the form of additional Awards shall reduce the applicable pool of Shares available for issuance of Awards. Further, any additional Awards credited to the Participant's account in satisfaction of payment of dividends or Dividend Equivalents will vest in proportion to and will be paid under the Plan in the same manner as the Awards to which they relate.

ARTICLE 9 PERFORMANCE SHARE UNITS

9.1 Grant of Performance Share Units.

Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Performance Share Units to Participants in such amounts and upon such terms as the Committee shall determine, provided that, no Performance Share Units shall vest earlier than one year after the date of grant, except that the Committee may in its sole discretion accelerate the vesting required by this Section 9.1 for a Participant who dies or who ceases to be an eligible Participant under the Plan in connection with a Change of Control.

9.2 Value of Performance Share Units.

Each Performance Share Unit shall have an initial value equal to the FMV of a Share on the date of grant. The Committee shall set performance criteria for a Performance Period in its discretion, which, depending on the extent to which they are met, will determine, in the manner determined by the Committee and set forth in the Award Agreement, the value and/or number of each Performance Share Unit that will be paid to the Participant.

9.3 Earning of Performance Share Units.

Subject to the terms of this Plan and the applicable Award Agreement, after the applicable Performance Period has ended, the holder of Performance Share Units shall be entitled to receive payout on the value and number of Performance Share Units, determined as a function of the extent to which the corresponding performance criteria have been achieved. Notwithstanding the foregoing, the Corporation shall have the ability to require the Participant to hold any Shares received pursuant to such Award for a specified period of time.

9.4 Form and Timing of Payment of Performance Share Units.

Payment of vested Performance Share Units shall be as determined by the Committee and as set forth in the Award Agreement. Subject to the terms of the Plan, and in the Committee's discretion, the Corporation will pay vested Performance Share Units in the form of cash or Shares issued from treasury equal to the value of the vested Performance Share Units at the end of the applicable Performance Period. Any Shares may be issued subject to any restrictions deemed appropriate by the Committee.

9.5 Dividends and Other Distributions.

During the Period of Restriction, Participants holding Performance Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in accordance with the Plan and otherwise in such a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares and Awards, provided that any Dividend Equivalents paid in the form of additional Awards shall reduce the applicable pool of Shares available for issuance of Awards. Further, any additional Awards credited to the Participant's account in satisfaction of payment of dividends or Dividend Equivalents will vest in proportion to and will be paid under the Plan in the same manner as the Awards to which they relate.

9.6 Death and other Termination of Employment.

- (a) Death: Unless otherwise determined by the Committee, if a Participant dies while an Employee, Director of, or Consultant to, the Corporation or an Affiliate:
- (i) the number of Performance Share Units held by the Participant that have not vested shall be adjusted as set out in the applicable Award Agreement (collectively referred to in this Section 9.6 as “**Deemed Awards**”);
 - (ii) any Deemed Awards shall vest immediately;
 - (iii) any Performance Share Units held by the Participant that have vested (including Deemed Awards vested in accordance with Section 9.6(a)(ii)) shall be paid to the Participant’s estate in accordance with the terms of the Plan and Award Agreement;
 - (iv) any settlement or redemption of any Performance Share Units shall occur within 12 months following the Termination Date; and
 - (v) such Participant’s eligibility to receive further grants of Performance Share Units under the Plan ceases as of the Termination Date.
- (b) Termination other than Death: Unless determined otherwise by the Committee, or as may otherwise be set out in a Participant’s employment agreement (which shall have paramountcy over this clause), where a Participant’s employment or term of office or engagement terminates for any reason other than death (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice) including disability, then:
- (i) any Performance Share Units held by the Participant that have vested before the Termination Date shall be paid to the Participant in accordance with the terms of the Plan and Award Agreement, and any Performance Share Units held by the Participant that are not yet vested at the Termination Date will be immediately cancelled and forfeited to the Corporation on the Termination Date;
 - (ii) the eligibility of a Participant to receive further grants under the Plan ceases as of the date that the Corporation or an Affiliate provides the Participant with written notification that the Participant’s employment or term of office or engagement, is terminated, notwithstanding that such date may be prior to the Termination Date;
 - (iii) notwithstanding Section 9.6(b)(i), unless the Committee, in its sole discretion, otherwise determines, at any time and from time to time, Performance Share Units are not affected by a change of employment arrangement within or among the Corporation or an Affiliate for so long as the Participant continues to be an employee of the Corporation or an Affiliate;
 - (iv) other than where the Participant is terminated for Cause, any settlement or redemption of any Performance Share Units shall occur within three months following the Termination Date; and
 - (v) where the Participant is terminated for Cause, any Performance Share Units held by the Participant shall be immediately cancelled and forfeited to the Corporation on the Termination Date for no consideration.

9.7 Non-transferability of Performance Share Units.

Performance Share Units may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, a Participant's rights under the Plan shall inure during such Participant's lifetime only to such Participant.

ARTICLE 10 BENEFICIARY DESIGNATION

10.1 Beneficiary.

A Participant's "beneficiary" is the person or persons entitled to receive payments or other benefits or exercise rights that are available under the Plan in the event of the Participant's death. A Participant may designate a beneficiary or change a previous beneficiary designation at such times as prescribed by the Committee and by using such forms and following such procedures approved or accepted by the Committee for that purpose. If no beneficiary designated by the Participant is eligible to receive payments or other benefits or exercise rights that are available under the Plan at the Participant's death, the beneficiary shall be the Participant's estate.

10.2 Discretion of the Committee.

Notwithstanding the provisions above, the Committee may, in its discretion, after notifying the affected Participants, modify the foregoing requirements, institute additional requirements for beneficiary designations, or suspend the existing beneficiary designations of living Participants or the process of determining beneficiaries under this Article 10, or both, in favor of another method of determining beneficiaries.

ARTICLE 11 RIGHTS OF PERSONS ELIGIBLE TO PARTICIPATE

11.1 Employment.

Nothing in the Plan or an Award Agreement shall interfere with or limit in any way the right of the Corporation or an Affiliate to terminate any Participant's employment, consulting or other service relationship with the Corporation or an Affiliate at any time, nor confer upon any Participant any right to continue in the capacity in which he or she is employed or otherwise serves the Corporation or an Affiliate.

Neither an Award nor any benefits arising under this Plan shall constitute part of an employment or service contract with the Corporation or an Affiliate, and, accordingly, subject to the terms of this Plan, this Plan may be terminated or modified at any time in the sole and exclusive discretion of the Committee or the Board without giving rise to liability on the part of the Corporation or an Affiliate for severance payments or otherwise, except as provided in this Plan.

For purposes of the Plan, unless otherwise provided by the Committee, a transfer of employment of a Participant between the Corporation and an Affiliate or among Affiliates, shall not be deemed a termination of employment. The Committee may provide in a Participant's Award Agreement or otherwise the conditions under which a transfer of employment to an entity that is spun off from the Corporation or an Affiliate shall not be deemed a termination of employment for purposes of an Award.

11.2 Participation.

No Employee or other Person eligible to participate in the Plan shall have the right to be selected to receive an Award. No person selected to receive an Award shall have the right to be selected to receive a future Award, or, if selected to receive a future Award, the right to receive such future Award on terms and conditions identical or in proportion in any way to any prior Award.

11.3 Rights as a Shareholder.

A Participant shall have none of the rights of a shareholder with respect to Shares covered by any Award until the Participant becomes the record holder of such Shares.

ARTICLE 12 CHANGE OF CONTROL

12.1 Accelerated Vesting and Payment.

Subject to the provisions of Section 12.2 or as otherwise provided in the Plan or the Award Agreement, in the event of a Change of Control, the Committee shall have the discretion to deal with any or all outstanding Awards (or any portion thereof) in the manner it deems fair and reasonable in the circumstances of the Change of Control. Without limiting the generality of the foregoing, in connection with a Change of Control, the Committee shall have the right to unilaterally, among other things:

- (a) cancel any outstanding Awards, and determine that the value of such Awards, as determined by the Committee in accordance with the terms of the Plan and the Award Agreements, shall be paid out in cash in an amount based on the Change of Control Price within a reasonable time subsequent to the Change of Control, subject to the approval of the Exchange;
- (b) cancel any unvested Options (or any portions thereof) without payment of any kind to any Participant;
- (c) accelerate the vesting of outstanding Awards (or any portion thereof) to provide that, notwithstanding the vesting schedule or any other provision of an Award Agreement relating to the vesting of Awards, such outstanding Awards shall be fully vested upon (or prior to) the completion of the Change of Control. If the Committee elects to accelerate the vesting of any Options, the Committee may determine that if any of such Options are not exercised within ten days following the Company giving notice to the Option holders thereof, such unexercised Options shall terminate and expire immediately prior to the completion of the proposed Change of Control; or
- (d) take such other actions, and combinations of the foregoing actions or any other actions permitted under this Section 12.1, as it deems fair and reasonable under the circumstances.

12.2 Alternative Awards.

Notwithstanding Section 12.1, no cancellation, acceleration of vesting, lapsing of restrictions or payment of an Award shall occur with respect to any Award if the Committee determines, in its sole discretion, prior to the occurrence of a Change of Control that such Award shall be honored or assumed, or new rights substituted therefor (with such honored, assumed or substituted Award hereinafter referred to as an “**Alternative Award**”) by any successor to the Corporation or an Affiliate as described in Article 15; provided, however, that any such Alternative Award must:

- (a) be based on stock which is traded on a recognized stock exchange;
- (b) provide such Participant with rights and entitlements substantially equivalent to or better than the rights, terms and conditions applicable under such Award, including, but not limited to, an identical or better exercise or vesting schedule (including vesting upon termination of employment) and identical or better timing and methods of payment;
- (c) recognize, for the purpose of vesting provisions, the time that the Award has been held prior to the Change of Control;
- (d) provide for similar eligibility requirements for such Alternative Award as provided for in the Plan; and
- (e) have substantially equivalent economic value to such Award (determined prior to the time of the Change of Control).

ARTICLE 13
AMENDMENT, MODIFICATION, SUSPENSION AND TERMINATION

13.1 Amendment, Modification, Suspension and Termination.

- (a) Except as set out in clause (b) below, and as otherwise provided by law or Exchange rules, the Committee or Board may, at any time and from time to time, alter, amend, modify, suspend or terminate the Plan or any Award in whole or in part without notice to, or approval from, shareholders of the Corporation, including, but not limited to, for the purposes of:
 - (i) making any amendments to the general vesting provisions of any Award;
 - (ii) making any amendments to the general term of any Award subject to Section 6.2(b);
 - (iii) making any amendments to add covenants or obligations of the Corporation for the protection of Participants;
 - (iv) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Board, it may be expedient to make, including amendments that are desirable as a result of changes in law or as a “housekeeping” matter; or
 - (v) making such changes or corrections which are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error.
- (b) The following amendments to the Plan shall require the prior approval of the Corporation’s shareholders, other than, in respect of the amendments contemplated under Sections 13.1(b)(i)-(iii) below, those carried out pursuant to Section 4.10 hereof:
 - (i) a reduction in the Option Price of a previously granted Option benefitting an Insider of the Corporation or one of its Affiliates;

- (ii) any amendment or modification which would increase the total number of Shares available for issuance under the Plan;
- (iii) an increase to the limit on the number of Shares issued or issuable under the Plan to Insiders of the Corporation;
- (iv) an extension of the expiry date of an Option other than as otherwise permitted hereunder in relation to a Blackout Period or otherwise;
- (v) an extension in the expiry date of an Option issued to an Insider of the Corporation or one of its Affiliates; or
- (vi) any amendment to the amendment provisions of the Plan under this Section 13.1.

13.2 Adjustment of Awards Upon the Occurrence of Unusual or Nonrecurring Events

Subject to the approval of the Exchange, the Committee may make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events in addition to the events described in Section 4.10 hereof affecting the Corporation or the financial statements of the Corporation or of changes in applicable laws, regulations or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent unintended dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under the Plan.

13.3 Awards Previously Granted.

Notwithstanding any other provision of the Plan to the contrary, but subject to section 13.1 above, no termination, amendment, suspension or modification of the Plan shall adversely affect in any material way any Award previously granted under the Plan, without the written consent of the Participant holding such Award.

ARTICLE 14 WITHHOLDING

14.1 Withholding.

The Corporation or any Affiliate shall have the power and the right to deduct or withhold, or require a Participant to remit to the Corporation or any Affiliate, an amount sufficient to satisfy federal, provincial, municipal, state and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising from or as a result of this Plan or any Award hereunder. The Committee may provide for Participants to satisfy withholding requirements by having the Corporation withhold and sell Shares or the Participant making such other arrangements, including the sale of Shares, in either case on such conditions as the Committee specifies.

14.2 Acknowledgement.

Participant acknowledges and agrees that the ultimate liability for all taxes legally payable by Participant is and remains Participant's responsibility and may exceed the amount actually withheld by the Corporation. Participant further acknowledges that the Corporation: (a) makes no representations or undertakings

regarding the treatment of any taxes in connection with any aspect of this Plan; and (b) does not commit to and is under no obligation to structure the terms of this Plan to reduce or eliminate Participant's liability for taxes or achieve any particular tax result. Further, if Participant has become subject to tax in more than one jurisdiction, Participant acknowledges that the Corporation may be required to withhold or account for taxes in more than one jurisdiction.

It is the Participant's responsibility to ensure that they adhere to tax legislation in their jurisdiction regarding the reporting of taxable benefits derived from the exercise or settlement of an Award.

ARTICLE 15 SUCCESSORS

Rights and obligations under the Plan may be assigned by the Corporation (without the consent of Participants) to a successor in the business of the Corporation, any company resulting from any amalgamation, reorganization, combination, merger or arrangement of the Corporation, or any company acquiring all or substantially all of the assets or business of the Corporation. Any obligations of the Corporation or an Affiliate under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Corporation or Affiliate, respectively, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the businesses and/or assets of the Corporation or Affiliate, as applicable.

ARTICLE 16 GENERAL PROVISIONS

16.1 Forfeiture Events.

Without limiting in any way the generality of the Committee's power to specify any terms and conditions of an Award consistent with law, and for greater clarity, the Participant's rights, payments and benefits with respect to an Award shall, at the sole discretion of the Committee, be subject to reduction, cancellation, forfeiture of any vested and unvested Awards or recoupment of any payments or settlements made in the current Fiscal Year or immediately prior Fiscal Year (provided such determination is made within 45 days of the end of that Fiscal Year) upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such specified events shall include, but shall not be limited to, any of: (a) the Participant's failure to accept the terms of the Award Agreement, violation of material Corporation and Affiliate policies, breach of non-competition, confidentiality, non-solicitation, non-interference, corporate property protection or other agreements that may apply to the Participant, or other conduct by the Participant that is detrimental to the business or reputation of the Corporation and Affiliates; (b) the Participant's misconduct, fraud, gross negligence; and (c) the restatement of the financial statements of the Corporation that resulted in Awards which should not have vested, settled, or been paid had the original financial statements been properly stated. Except as expressly otherwise provided in this Plan or an Award Agreement, the termination and the expiry of the period within which an Award will vest and may be exercised by a Participant shall be based upon the last day of actual service by the Participant to the Corporation and specifically does not include any period of notice that the Corporation may be required to provide to the Participant under applicable employment law.

16.2 Legend.

The certificates for Shares may include any legend that the Committee deems appropriate to reflect any restrictions on transfer of such Shares.

16.3 Delivery of Title.

The Corporation shall have no obligation to issue or deliver evidence of title for Shares issued under the Plan prior to:

- (a) obtaining any approvals from governmental agencies or securities exchanges, including but not limited to the Exchange, that the Corporation determines are necessary or advisable; and
- (b) completion of any registration or other qualification of the Shares under any applicable law or ruling of any governmental body or securities exchange, including but not limited to the Exchange, that the Corporation determines to be necessary or advisable.

16.4 Investment Representations.

The Committee may require each Participant receiving Shares pursuant to an Award under this Plan to represent and warrant in writing that the Participant is acquiring the Shares for investment and without any present intention to sell or distribute such Shares.

16.5 Uncertificated Shares.

To the extent that the Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may be effected on a non-certificated basis to the extent not prohibited by applicable law or the rules of any applicable stock exchange.

16.6 Unfunded Plan.

Participants shall have no right, title or interest whatsoever in or to any investments that the Corporation or an Affiliate may make to aid it in meeting its obligations under the Plan. Nothing contained in the Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Corporation or an Affiliate and any Participant, beneficiary, legal representative or any other person. Awards shall be general unsecured obligations of the Corporation, except that if an Affiliate executes an Award Agreement instead of the Corporation the Award shall be a general unsecured obligation of the Affiliate and not any obligation of the Corporation. To the extent that any individual acquires a right to receive payments from the Corporation or an Affiliate, such right shall be no greater than the right of an unsecured general creditor of the Corporation or Affiliate, as applicable. All payments to be made hereunder shall be paid from the general funds of the Corporation or Affiliate, as applicable, and no special or separate fund shall be established and no segregation of assets shall be made to assure payment of such amounts except as expressly set forth in the Plan.

16.7 No Fractional Shares.

No fractional Shares shall be issued or delivered pursuant to the Plan or any Award Agreement. In such an instance, unless the Committee determines otherwise, fractional Shares and any rights thereto shall be forfeited or otherwise eliminated.

16.8 Other Compensation and Benefit Plans.

Nothing in this Plan shall be construed to limit the right of the Corporation or an Affiliate to establish other compensation or benefit plans, programs, policies or arrangements. Except as may be otherwise specifically stated in any other benefit plan, policy, program or arrangement, no Award shall be treated as compensation for purposes of calculating a Participant's rights under any such other plan, policy, program or arrangement.

16.9 No Constraint on Corporate Action.

Nothing in this Plan shall be construed (i) to limit, impair or otherwise affect the Corporation's or an Affiliate's right or power to make adjustments, reclassifications, reorganizations or changes in its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell or transfer all or any part of its business or assets, or (ii) to limit the right or power of the Corporation or an Affiliate to take any action which such entity deems to be necessary or appropriate.

16.10 Compliance with Canadian Securities Laws.

All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to an exemption from the prospectus requirements of Canadian securities laws where applicable.

ARTICLE 17 LEGAL CONSTRUCTION

17.1 Gender and Number.

Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

17.2 Severability.

In the event any provision of this Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

17.3 Requirements of Law.

The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or securities exchanges as may be required. The Corporation or an Affiliate shall receive the consideration required by law for the issuance of Awards under the Plan. The inability of the Corporation or an Affiliate to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Corporation or an Affiliate to be necessary for the lawful issuance and sale of any Shares hereunder, shall relieve the Corporation or Affiliate 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.

17.4 Governing Law.

The Plan and each Award Agreement shall be governed by the laws of the Province of British Columbia excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan to the substantive law of another jurisdiction.

17.5 Compliance with Section 409A of the Code.

- (a) To the extent the Plan is applicable to a particular Participant subject to the Code, it is intended that this Plan and any Awards made hereunder shall not provide for the payment of "deferred compensation" within the meaning of Section 409A of the Code or shall be structured in a manner and have such terms and conditions that would not cause such a Participant to be subject to taxes and interest pursuant to Section 409A of the Code. This

Plan and any Awards made hereunder shall be administrated and interpreted in a manner consistent with this intent.

- (b) To the extent that any amount or benefit in favour of a Participant who is subject to the Code would constitute “deferred compensation” for purposes of Section 409A of the Code would otherwise be payable or distributable under this Plan or any Award Agreement by reason of the occurrence of a Change of Control or the Participant’s disability or separation from service, such amount or benefit will not be payable or distributable to the Participant by reason of such circumstance unless: (i) the circumstances giving rise to such Change of Control, disability or separation from service meet the description or definition of “change in control event,” “disability,” or “separation from service,” as the case may be, in Section 409A of the Code and applicable proposed or final treasury regulations thereunder, and (ii) the payment or distribution of such amount or benefit would otherwise comply with Section 409A of the Code and not subject the Participant to taxes and interest pursuant to Section 409A of the Code. This provision does not prohibit the vesting of any Award or the vesting of any right to eventual payment or distribution of any amount or benefit under this Plan or any Award Agreement.
- (c) The Committee shall use its reasonable discretion to determine the extent to which the provisions of this Section 17.5 will apply to a Participant who is subject to taxation under Applicable Tax Laws.

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