FLUROTECH LTD.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

FOR

THE ANNUAL GENERAL AND SPECIAL SHAREHOLDERS MEETING TO BE HELD ON MAY 31, 2024

APRIL 22, 2024

This management information circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult your financial, legal, tax or other professional advisor.

FLUROTECH LTD.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the "**Meeting**") of holders ("**Shareholders**") of common shares (the "**Common Shares**") in the capital of FluroTech Ltd. (the "**Corporation**") will be held at 1900, 520 3rd Ave SW, Calgary, AB, T2P 0R3 on May 31, 2024 at 9:00 a.m. (Calgary time), as it may be postponed or adjourned.

Accompanying this Notice are materials delivered in connection with the Meeting including:

- the management information circular of the Corporation, dated April 22, 2024 (the "**Circular**"); and
- a form of proxy.

The Corporation and 15915074 Canada Inc., a wholly-owned subsidiary of the Corporation, have entered into a business combination agreement dated April 19, 2024 with Great Slave Helicopters 2018 Ltd. ("**GS Heli**") and certain shareholders of GS Heli in respect of a proposed business combination with GS Heli (the "**Transaction**"). **The Transaction does not require Shareholder approval under applicable laws**. However, the Transaction is very important to the Corporation and certain matters to be considered at the Meeting are necessary in order to prepare the Corporation to complete the Transaction.

The Meeting will be for the following purposes:

1. to receive the audited annual financial statements for the fiscal years ended December 31, 2022 and December 31, 2023, together with the notes thereto and the report of the independent auditors thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting, as more particularly described in the Circular;
3. to consider and, if deemed advisable, to approve, with or without variation, an ordinary resolution to elect the directors of the Corporation for the ensuing year, as follows:
    (a) to elect five directors of the Corporation, being Danny Dalla-Longa, Sid Dutchak, Dr. Brendan Miles, Dave Majeski and Michael Rodyniuk, to continue office immediately after the Meeting (the "**Original Board**"), and
    (b) to elect, conditional upon and concurrently with, the closing of the Transaction, six directors of the Corporation, being Michael Rodyniuk, Michael Swistun, James O'Brien, Ravi Latour, Pat Campling and Sid Dutchak to replace the Original Board as of the closing of the Transaction;
4. to appoint Davidson & Company LLP as the auditor of the Corporation until the earlier of the close of the next annual meeting of the shareholders of the Corporation or their earlier resignation or replacement, and to authorize the directors of the Corporation to fix the auditors' remuneration;
5. to consider and, if deemed advisable, to pass, with or without variation, a special resolution authorizing the amendment of the articles of the Corporation to effect the change of the Corporation's name to "Consolidated Aerospace Finance Corporation", or such other name as the board of directors, in its sole discretion, deems appropriate or as may be required or permitted by applicable regulatory authorities;
6. to consider and, if deemed advisable, to pass, with or without variation, a special resolution authorizing a consolidation of the outstanding Common Shares of the Corporation as more particularly described in the Circular;

7. to consider and, if deemed advisable, to approve, with or without variation, an ordinary resolution, the full text of which is set forth in the Circular, approving the Corporation's existing stock option plan (the "**FluroTech Option Plan**");

8. to consider and, if deemed advisable, to approve, with or without variation, an ordinary resolution, the full text of which is set forth in the Circular, conditionally approving the adoption of a new security-based compensation plan of the Corporation, to be effective upon completion of the Transaction so as to replace the FluroTech Option Plan as of the completion of the Transaction, as more particularly described in the Circular;

9. to consider and, if deemed advisable, to pass, with or without variation, a special resolution, the full text of which is set forth in the Circular, authorizing amendments to the articles of the Corporation relating to the authorized capital of the Corporation (the "**Share Terms Amendment**") in order to align the Corporation's share terms with the provisions of the *Canada Transportation Act*, to be effective upon completion of the Transaction, as more particularly described in the Circular (the "**Share Terms Amendment Resolution**"); and

10. to transact such other business as may properly come before the Meeting or any adjournment thereof.

The details of all matters proposed to be put before the Shareholders at the Meeting are set forth in the Circular of the Corporation accompanying this Notice of Meeting.

A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be valid, the completed proxy must be received by Odyssey Trust Company, by mail at Trader's Bank Building, 702, 67 Yonge Street, Toronto ON M5E 1J8, Attn: Proxy Department, in the provided self-addressed envelope, or by email at proxy@odysseytrust.com not later than forty-eight hours (excluding Saturdays, Sundays and statutory holidays in Alberta) prior to the Meeting or any adjournment or postponement thereof. A Shareholder may also vote by Internet voting at https://login.odysseytrust.com/pxlogin not later than forty-eight hours (excluding Saturdays, Sundays and statutory holidays in Alberta) prior to the Meeting or any adjournment or postponement thereof.

Shareholders are entitled to dissent in respect of the Share Terms Amendment Resolution in accordance with Section 191 of the *Business Corporations Act* (Alberta) (the "**ABCA**"). Strict compliance with the provisions of Section 191 is required in order to exercise the right to dissent. A Shareholder's right to dissent is more particularly described in the accompanying Circular. Provided the Share Terms Amendment becomes effective, each dissenting Shareholder will be entitled to be paid the fair value of his, her or its Common Shares in respect of which such Shareholder dissents in accordance with Section 191 of the ABCA. **Persons who are beneficial owners of Common Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only the registered holders of such Common Shares are entitled to dissent.**

In order to be effective, a written notice of objection to the Share Terms Amendment Resolution must be received by the Chief Executive Officer of the Corporation prior to the commencement of the Meeting, or at the Meeting. The registered address of the Corporation for such purpose is 1900, 520 3rd Ave SW, Calgary, AB, T2P 0R3; Attention: Ravi Latour. **The complete dissent provisions of the ABCA are set forth in Appendix F to the Circular. The ABCA requires strict adherence to the procedures established therein and failure to do so may result in the loss of all dissenters' rights. Accordingly, each Shareholder who might desire to exercise the dissenters' rights should carefully consider and comply with the provisions of the section and consult such Shareholder's legal advisor.**

If you are a non-registered holder of Common Shares and received these materials through your broker or another intermediary, please complete and return the form of proxy or voting instruction form provided to you by such broker or through another intermediary, in accordance with the instructions provided. Late forms of proxy may

be accepted or rejected by the Chairman of the Meeting in his sole discretion and the Chairman is under no obligation to accept or reject any particular late form of proxy.

The form of proxy confers discretionary authority with respect to: (i) amendments or variations to the matters of business to be considered at the Meeting; and (ii) other matters that may properly come before the Meeting. As of the date hereof, management of the Corporation knows of no amendments, variations or other matters to come before the Meeting other than the matters set forth in this Notice of Meeting. Shareholders who are planning on returning the accompanying form of proxy are encouraged to review the Circular carefully before submitting the proxy form.

The record date for determination of the Shareholders entitled to receive notice of and to vote at the Meeting is April 19, 2024 (the "**Record Date**"). Subject to certain exceptions, only the Shareholders whose names have been entered in the register of Common Shares on the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

DATED as of April 22, 2024.

BY ORDER OF THE BOARD OF DIRECTORS OF FLUROTECH LTD.

(signed) "*Michael Rodyniuk*"

Michael Rodyniuk
Chief Executive Officer
FluroTech Ltd.

TABLE OF CONTENTS

Notice-And-Access 2
Proxy Related Information 3
- Appointment And Revocation Of Proxies 3
- Exercise Of Discretion 4
- Advice To Non-Registered Shareholders 4
- Voting By Non-Registered Shareholders 4

Interest Of Certain Persons In Matters To Be Acted Upon 5
Voting Securities And Principal Holders Of Voting Securities 5
- Voting Rights 5
- Record Date 5
- Principal Holders Of Common Shares 6
- Quorum 6

Business Combination With Great Slave Helicopters 2018 Ltd 6
- The Definitive Agreement 7

Votes Necessary To Pass Resolutions 8
Financial Statements 8
Statement Of Corporate Governance Practices 8
- Corporate Governance 8
- Board Of Directors 8
- Audit Committee 11

Statement Of Executive Compensation 13
- Description Of Director And Named Executive Officer Compensation 13
- External Management Companies 14
- Employment, Consulting And Management Agreements 14
- Oversight And Description Of Director And Named Executive Officer Compensation 15
- Stock Options And Other Compensation Securities 16
- Stock Option Plans And Other Incentive Plans 16

Securities Authorized For Issuance Under Equity Compensation Plans 17
Particulars Of Matters To Be Acted Upon 18
- Audited Financial Statements 18
- Number Of Directors 18
- Election Of Directors 18
- Appointment Of Auditor 22
- Name Change 23
- Consolidation 24
- Flurotech Option Plan 25
- The Resulting Issuer Stock Option Plan 26
- The Share Terms Amendment 31
- Other Business 36

Interest Of Informed Persons In Material Transactions 36
Indebtedness Of Directors And Executive Officers 36
Indication Of Officer And Directors 37
Appointment Of Auditor 37
Management Contracts 37
Additional Information 37
Other Matters 37

Appendices

APPENDIX A – Board Mandate
APPENDIX B – Audit Committee Charter
APPENDIX C – FluroTech Stock Option Plan
APPENDIX D – Resulting Issuer Option Plan
APPENDIX E – Share Terms Amendment
APPENDIX F – Section 191 of the *Business Corporations Act* (Alberta)

FLUROTECH LTD.

MANAGEMENT INFORMATION CIRCULAR
AS AT APRIL 22, 2024

This management information circular (the "**Circular**") is furnished in connection with the solicitation of proxies by management ("**Management**") of FluroTech Ltd. (the "**Corporation**" or "**FluroTech**") for use at the annual general and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") in the capital of the Corporation to be held at 1900, 520 3rd Ave SW, Calgary, AB, T2P 0R3 on May 31, 2024 at [9:00 a.m.] (Calgary time), as it may be postponed or adjourned, for the purposes set forth in the accompanying notice of the Meeting (the "**Notice**").

In this Circular, references to "we" and "our" refer to the Corporation. References to "intermediaries" refer to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Shareholders.

No person has been authorized to give any information or make any representation in connection with any matters to be considered at the Meeting other than those contained in this Circular and, if given or made, any such information or representation must not be relied upon as having been authorized. Information contained in this Circular is given as at April 22, 2024, unless otherwise stated and all dollar amounts are expressed in Canadian dollars.

If you hold Common Shares through a broker, investment dealer, bank, trust company, nominee or other intermediary (collectively, an "**Intermediary**"), you should contact your Intermediary for instructions and assistance in voting the Common Shares that you beneficially own.

Persons Making the Solicitation

This solicitation is made on behalf of the management of the Corporation. The costs incurred in the preparation of both the form of proxy and this Circular will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Corporation who will not be directly compensated therefor.

In accordance with National Instrument 54 101 - *Communications with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54 101**"), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so.

NOTICE-AND-ACCESS

The Canadian Securities Administrators have adopted amendments to NI 54-101, which allow for the use of the "notice-and-access" regime for the delivery of meeting materials.

Under the notice-and-access regime, reporting issuers are permitted to deliver the meeting materials by posting them on SEDAR+ as well as a website other than SEDAR+ and sending a notice package to each shareholder receiving the meeting materials under this regime. The notice package must include: (i) the relevant form of proxy or voting instruction form; (ii) basic information about the meeting and the matters to be voted on; (iii) instructions on how to obtain a paper copy of the meeting materials; and (iv) a plain language explanation of how the notice-and-access system operates and how the meeting materials can be accessed online. Where prior consent has been obtained, a reporting issuer can send this notice package to shareholders electronically. This notice package must be mailed to shareholders from whom consent to electronic delivery has not been received.

The Corporation has elected to send its meeting materials to Beneficial Shareholders (as defined herein) using the notice-and-access regime. Accordingly, the Corporation will send the above-mentioned notice package to Beneficial Shareholders which includes instructions on how to access the Corporation's meeting materials online and how to request a paper copy of these materials. Distribution of the Corporation's meeting materials pursuant to the notice-and-access regime has the potential to substantially reduce printing and mailing costs.

Notwithstanding the notice-and-access regime, the *Business Corporations Act* (Alberta) ("**ABCA**") requires the Corporation to deliver a paper copy of the meeting materials to a registered shareholder unless such shareholder provides written consent to electronic delivery. In order to ensure compliance with the ABCA, registered shareholders who have not previously consented to electronic delivery will be mailed a copy of the meeting materials this year, together with a mail card soliciting a registered shareholders consent to electronic delivery in future years.

PROXY RELATED INFORMATION

Appointment and Revocation of Proxies

Those Shareholders desiring to be represented at the Meeting by proxy must deposit their respective forms of proxy with Odyssey Trust Company ("**Odyssey**") by mail at Trader's Bank Building, 702, 67 Yonge Street, Toronto ON M5E 1J8, Attn: Proxy Department, in the provided self-addressed envelope, or by email at proxy@odysseytrust.com not later than forty-eight hours (excluding Saturdays, Sundays and statutory holidays in Alberta) prior to the Meeting or any adjournment or postponement thereof. A proxy must be executed by the Shareholder or by his attorney authorized in writing, or if the Shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized. A proxy is valid only at the Meeting in respect of which it is given or any adjournment or postponement of the Meeting.

Registered Shareholders may also use the internet (https://login.odysseytrust.com/pxlogin) to vote their Common Shares. Shareholders will be prompted to enter the control number which is located on the form of proxy when voting by the internet. Votes by the internet must be received not later than forty-eight hours (excluding Saturdays, Sundays and statutory holidays in Alberta) prior to the time of the Meeting or any adjournment or postponement thereof. The internet may also be used to appoint a proxyholder to attend and vote at the Meeting on the Shareholder's behalf and to convey a Shareholder's voting instructions.

The Corporation will refuse to recognize any instrument of proxy deposited in writing or by the internet received later than forty-eight hours (excluding Saturdays, Sundays and statutory holidays in Alberta) prior to the Meeting or any adjournment or postponement thereof.

The persons named in the enclosed form of proxy are officers and directors of the Corporation. Each Shareholder submitting a proxy has the right to appoint a person, who need not be a Shareholder, to represent them at the Meeting other than the persons designated in the form of proxy furnished by the Corporation. A Shareholder may exercise this right by inserting the name of the desired representative in the blank space provided in the form of proxy or by completing another form of proxy and, in either case, depositing the proxy with Odyssey, at the place and within the time specified above for the deposit of proxies.

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing (or if the Shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized) and deposited with Odyssey Trust Company by mail at Trader's Bank Building, 702, 67 Yonge Street, Toronto ON M5E 1J8, Attn: Proxy Department, in the provided self-addressed envelope, or by email at proxy@odysseytrust.com at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof or with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof, and upon either of such deposits, the proxy is revoked.

Exercise of Discretion

All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting in accordance with the instructions of the Shareholder where voting is by way of a show of hands or by ballot and, if the Shareholder specifies a choice with respect to any matter to be voted upon, the Common Shares represented by the proxy will be voted in accordance with such instructions. **In the absence of any such instructions the persons whose names appear on the enclosed form of proxy will vote in favour of the matters set forth in the Notice of Meeting and in this Circular, except for in relation to any resolutions electing any person as a director of the Corporation.**

The enclosed form of proxy confers discretionary authority on the persons named therein with respect to any amendments or variations of those matters specified in the form of proxy and Notice of Meeting and with respect to any other matters which may be properly brought before the Meeting or any adjournment or postponement thereof. If any such amendment, variation or other matter should come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote such proxies in accordance with their best judgment, unless the Shareholder has specified to the contrary or that Common Shares are to be withheld from voting. At the time of printing this Circular, Management knows of no such amendment, variation or other matter.

Advice to Non-Registered Shareholders

The information in this section is of significant importance to shareholders who do not hold their Common Shares in their own name (referred to herein as "Non-Registered Shareholders"). Most Shareholders do not hold their Common Shares in their own name. Non-Registered Shareholders are advised that only proxies from Shareholders of record can be recognized and voted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms).

Voting by Non-Registered Shareholders

Common Shares held by brokers, or their nominees can only be voted (for or against resolutions) upon the instructions of the Non-Registered Shareholder. Without specific instructions, brokers and their nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Corporation do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held, and directors and officers of the Corporation do not necessarily know for whose benefit the Common Shares registered in the name of any Intermediary are held.

Applicable regulatory policy requires brokers and other Intermediaries to seek voting instructions from Non-Registered Shareholders in advance of Shareholders' meetings. Every broker and other Intermediary has its own mailing procedure, and provides its own return instructions, which should be carefully followed. The form of proxy supplied by brokers and other Intermediaries to Non-Registered Shareholders may be very similar and, in some cases, identical to that provided to the registered Shareholders. However, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Non-Registered Shareholder.

In Canada, the vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Non-Registered Shareholders and asks Non-Registered Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Non-Registered Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or**

instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other Intermediary, please contact that broker or other Intermediary for assistance.

Although a Non-Registered Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker or other Intermediary, a Non-Registered Shareholder may attend the Meeting as proxyholder for the registered Shareholder that holds the Non-Registered Shareholder's Common Shares and vote those Common Shares in that capacity**. Non-Registered Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker or agent.**

Non-Registered Shareholders should contact their broker or other Intermediary through which they hold Common Shares if they have any questions regarding the voting of such Common Shares.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Corporation at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Voting Rights

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without nominal or par value and an unlimited number of Preferred Shares. As of the Record Date, there are 120,685,541 Common Shares currently issued and outstanding and no Preferred Shares are currently issued and outstanding. Shareholders of record as of the Record Date (as defined herein) are entitled to receive notice of and attend and vote at the Meeting. Each Shareholder will be entitled to one vote at the Meeting for each Common Share held by them on the Record Date.

On April 23, 2024, the Corporation intends to complete a consolidation of the Common Shares approved by the Shareholders at the last annual general meeting held on March 20, 2023 on a 15:1 basis prior to the Meeting (the "**Initial Consolidation**"). Following the completion of the Initial Consolidation, there will be 8,045,705 Common Shares issued and outstanding, and no Preferred Shares issued and outstanding.

Record Date

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting or any adjournment or postponement thereof is April 19, 2024 (the "**Record Date**").

The Corporation will prepare or cause to be prepared a list of the Shareholders recorded as holders of Common Shares on its register of Shareholders as of the close of business on the Record Date, each of whom shall be entitled to vote the Common Shares shown opposite their name on the list at the Meeting or any adjournment or postponement thereof. **To the extent a Shareholder transfers the ownership of any of its Common Shares after the Record Date and the transferee of those Common Shares establishes that it owns such Common Shares and requests, at least ten days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, such transferee shall be entitled to vote such Common Shares at the Meeting.**

In addition, persons who are Non-Registered Shareholders as of the Record Date will be entitled to exercise their voting rights in accordance with the procedures established under NI 54-101. See "*Proxy Related Information – Advice to Non-Registered Shareholders*".

Principal Holders of Common Shares

As at the Record Date, to the knowledge of the Corporation, no person owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Corporation except as outlined below.

Shareholder Name	Number of Common Shares Held(1)	Percentage of Common Shares Held(1)
Danny Dalla-Longa(2)	29,543,208	24.48%

Notes:

(1) Calculated based on the number of issued and outstanding Common Shares as of the Record Date. Following the completion of the Initial Consolidation, Mr. Dalla-Longa will hold 1,969,547 Common Shares.

(2) Mr. Dalla-Longa holds all Common Shares through Dalco Capital Corp, an entity wholly-owned by Mr. Dalla-Longa.

Quorum

Under the by-laws of the Corporation, a quorum will be present at the Meeting if there are at least two persons present together holding or representing by proxy at least 5% of the total number of votes attaching to the issued Common Shares with voting rights at the Meeting.

BUSINESS COMBINATION WITH GREAT SLAVE HELICOPTERS 2018 LTD.

The Corporation has entered into a business combination agreement dated April 19, 2024 (the "**Definitive Agreement**") with 15915074 Canada Inc. ("**Subco**"), a wholly-owned subsidiary of FluroTech, Great Slave Helicopters 2018 Ltd. ("**GS Heli**") and certain shareholders of GS Heli, in connection with a proposed business combination with GS Heli (the "**Transaction**"), which is intended to constitute a "Change of Business Transaction" under Policy 5.2 of the TSX Venture Exchange (the "**Exchange**" or the "**TSXV**"). Additionally, it is intended that the Transaction will constitute the Corporation's "Reactivation" under the policies of the TSXV and that upon completion of the Transaction (the "**Closing**") and satisfaction of all conditions of the TSXV, the Corporation as it exists upon completion of the Transaction (the "**Resulting Issuer**") will have its listing transferred from the NEX board of the TSXV to the TSXV.

The Definitive Agreement provides for a three-cornered amalgamation (the "**Amalgamation**"), among other things, the following: (a) GS Heli will amalgamate with Subco pursuant to the provisions of the *Canada Business Corporations Act*; (b) in consideration of the Amalgamation, FluroTech shall pay aggregate consideration of $65,000,000 to the former holders of GS Heli shares ("**GS Heli Shareholders**"), of which $8,000,000 shall be through the issuance of Common Shares to GS Heli Shareholders; and (c) the amalgamated corporation ("**Amalco**") will be a wholly-owned subsidiary of FluroTech.

Prior to completion of the Amalgamation, it is intended that: (a) the Corporation shall have completed the Initial Consolidation; (b) immediately prior to Closing, FluroTech will complete a second share consolidation on an approximate 26.67 to 1 basis ("**Second Consolidation**", and together with the Initial Consolidation and Second Consolidation, the "**Consolidation**"); (c) the Corporation shall file articles of amendment (the "**Share Terms Amendment**") to amend its share capital to facilitate compliance of the Corporation under the *Canada Transportation Act* (the "**CTA**"); and (d) the Corporation shall change its name to "Consolidated Aerospace Finance Corporation" (the "**Name Change**").

Completion of the proposed Transaction is subject to, among other things, receipt of all necessary regulatory and shareholder approvals, including the approval of the Exchange.

The Definitive Agreement

Pursuant to the Definitive Agreement, certain conditions precedent must be met prior to closing of the Amalgamation, including, but not limited to: (a) acceptance by the Exchange and receipt of other applicable regulatory approvals; (b) completion of a brokered private placement of subscription receipts of Subco for minimum gross proceeds of $22,000,000 (the "**Concurrent Financing**"); (c) receipt of the requisite approvals for the Consolidation, the Name Change, the Share Terms Amendment and the reconstitution of the board of directors of FluroTech; (d) the requisite approval of the GS Heli Shareholders of the Amalgamation; (e) no material adverse change in the business, affairs, financial condition or operations of GS Heli or FluroTech has occurred between the date of entering into the Definitive Agreement and the closing date of the Transaction; and (f) with respect to the Share Terms Amendment, Shareholders holding no more than 10% of the Common Shares shall have exercised dissent rights. There can be no assurance that the Transaction will be completed as proposed or at all.

The Amalgamation will not constitute a "Related Party Transaction" and does not involve any "Non-Arm's Length Parties" (as such terms are defined in the policies of the Exchange).

If all conditions to the implementation of the Amalgamation have been satisfied or waived, FluroTech, Subco and GS Heli will carry out the Amalgamation

As at the date hereof it is not possible for the parties to determine the number of Common Shares that will be issued upon completion of the Transaction nor the ownership percentages associated with FluroTech and GS Heli as this will depend upon the Concurrent Financing and the Consolidation, both factors having an impact on the total number of Common Shares that will be issued in connection with the Amalgamation.

Upon completion of the Transaction, it is expected that the Resulting Issuer will be a Tier 1 Industrial Issuer on the Exchange.

It is anticipated that the new senior management team of the Resulting Issuer will be comprised of Michael Rodyniuk as President and Chief Executive Officer, Michael Swistun as Chief Investment Officer and James O'Brien as Chief Legal Officer and Vice President Corporate Development.

Subject to Shareholder approval, it is anticipated that the directors of the Resulting Issuer will be the nominees set out under "*Particulars of Matters to be Acted Upon – Election of Directors – Post-Transaction Nominees*".

Please see the press release dated March 11, 2024 issued by the Corporation in connection with the Transaction. Full details regarding GS Heli and the Transaction will be disclosed by the Corporation in the filing statement (the "**Filing Statement**") to be prepared and filed in accordance with the policies of Exchange The Filing Statement will be posted on the Corporation's profile on SEDAR+ at www.sedarplus.ca in connection with the completion of the Transaction.

The Transaction does not require Shareholder approval. However, the Transaction is very important to the Corporation and certain matters to be considered at the Meeting are necessary in order to prepare the Corporation to complete the Transaction. Failure to approve the corresponding resolutions could impede or prevent the completion of the Transaction.

Subject to receipt of all approvals, the Transaction is expected to close in Q2 of 2024.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein, except for the Name Change Resolution, the Consolidation Resolution and the Share Terms Amendment Resolution (each as defined below), each of which must be approved by the affirmative vote of not less than two-thirds (2/3) of the votes cast by the holders of Common Shares present in person or represented by proxy at the Meeting.

FINANCIAL STATEMENTS

In connection with the Meeting, Shareholders are encouraged to read the audited annual financial statements for the fiscal years ending December 31, 2022 and December 31, 2023 and accompanying management's discussion and analysis. Copies of such documents may be obtained by a Shareholder upon request without charge from the Chief Executive Officer of the Corporation. These documents are also available on SEDAR+, which can be accessed at www.sedarplus.ca.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Corporate Governance

Corporate governance relates to the activities of the Corporation's board of directors (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 charged with the day-to-day management of the Corporation. The Canadian Securities Administrators have published National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), National Policy 58-201 – *Corporate Governance Guidelines* ("**NP 58-201**") and National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). These set out a series of guidelines and requirements for effective corporate governance (collectively, the "**Guidelines**"). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of Board members. NI 58-101 requires reporting issuers to disclose on an annual basis their approach to corporate governance with reference to the Guidelines. Set out below is a description of the Corporation's approach to corporate governance in relation to the Guidelines.

Board of Directors

The Board is currently composed of five directors: Danny Dalla-Longa, Sid Dutchak, Dr. Brendan Miles, Dave Majeski and Michael Rodyniuk. It is proposed that all five of the current directors (the "**Original Board Nominees**") will be nominated at the Meeting to hold office until the earlier of (i) completion of the Transaction and (ii) the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed pursuant to the by-laws of the Corporation, unless their offices are earlier vacated in accordance with the provisions of the applicable legislation or the Corporation's by-laws. In connection with the Transaction, it is also proposed that Michael Rodyniuk, Michael Swistun, James O'Brien, Ravi Latour, Pat Campling and Sid Dutchak (the "**Post-Transaction Nominees**") will be nominated at the Meeting to hold office, subject to completion of the Transaction, from completion of the Transaction until the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed pursuant to the by-laws of the Corporation, unless their offices are earlier vacated in accordance with the provisions of the applicable legislation or the Corporation's by-laws. In the event that the Transaction is not completed, the Post-Transaction Nominees will not become directors of the Corporation.

NP 58-201 suggests that the Board of every reporting issuer should be constituted with a majority of individuals who qualify as "independent" directors, within the meaning set out under NI 52-110, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the company. "Material relationship" is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

Michael Rodyniuk is the Chief Executive Officer of the Corporation and Danny Dalla-Longa is the former Chief Executive Officer of the Corporation, accordingly, they are not considered “independent”. The remaining Original Board Nominees, being Sid Dutchak, Dr. Brendan Miles, and Dave Majeski, are considered “independent”, as they are free from a direct or indirect material relationship with the Corporation, which could reasonably be expected to interfere with the exercise of their independent judgment as director. The basis for this determination is that, since the commencement of the Corporation’s fiscal year ended December 31, 2022, Sid Dutchak, Dr. Brendan Miles, and Dave Majeski have not worked for the Corporation, received remuneration from the Corporation (other than in their capacity as directors) or had material contracts with or material interests in the Corporation which could interfere with their ability to act in the Corporation’s best interests.

Of the Post-Transaction Nominees Michael Rodyniuk, Michael Swistun, James O’Brien and Pat Campling will not be considered “independent”. Mr. Rodyniuk will be the Chief Executive Officer and President of the Resulting Issuer, Mr. Swistun will be the Chief Investment Officer of the Resulting Issuer and James O’Brien will be the Chief Legal Officer and Vice President Corporate Development and as such will not considered “independent”. Further, Pat Campling, as the former Chief Executive Officer of GS Heli will also not be considered “independent”. The remaining Post-Transaction Nominees, being Ravi Latour and Sid Dutchak, are expected to be considered “independent,” as they will be free from a direct or indirect material relationship with the Corporation, which could reasonably be expected to interfere with the exercise of their independent judgment as directors. The basis for this determination is that, since the commencement of the Corporation’s fiscal year ended December 31, 2022, none of the expected independent Post-Transaction Nominees will have worked for the Corporation or GS Heli, received remuneration from the Corporation or GS Heli (other than in their capacity as directors) or had material contracts with or material interests in the Corporation or GS Heli which could interfere with their ability to act in the Corporation’s best interests.

The Board believes that it functions independently of Management. To enhance its ability to act independently of Management, the members of the Board may meet without Management and the non-independent directors. In the event of a conflict of interest at a meeting of the Board, the conflicted director will, in accordance with corporate law and his or her fiduciary obligations as a director of the Corporation, disclose the nature and extent of his or her interest to the meeting and abstain from voting on the matter at issue. In addition, the members of the Board who are not members of Management are encouraged to obtain advice from external advisors and legal counsel as they may deem necessary in order to reach a conclusion with respect to issues brought before the Board. The Board’s Mandate is attached hereto at Appendix A.

Directorships

Certain of the Corporation’s directors or nominee directors are currently directors or have served as directors or officers of other reporting issuers (or equivalent) in the same jurisdiction or a foreign jurisdiction as follows:

Name of Director, Officer or Promoter	Name of Reporting Issuer	Market	Position	Term
Original Board Nominees				
David Majeski	Imperial Equities Corporation	TSXV	Director	2016 - Present
Danny Dalla-Longa	Thunder River Enterprises	Unlisted	Director	2021 - Present
Post-Transaction Nominees				
James O'Brien	LQR House Inc.	NASDAQ	Director/Chair of the Audit Committee	2021-Present
Michael Swistun	Canadian Gold Corp.	TSXV	President and Chief Executive Officer	2024-Present

Orientation and Continuing Education

Orientation and education of new members of the Board is conducted by the Corporate Governance, Compensation and Nominating Committee (the "**CGCN Committee**") and by Management. The orientation provides background information on the Corporation's history, performance and strategic plans. All new directors are provided with copies of the Corporation's board and committee mandates and policies, the Corporation's by-laws and other reference materials. Prior to joining the board, each new director will meet with the Chief Executive Officer of the Corporation. Such officer is responsible for outlining the business and prospects of the Corporation, both positive and negative, with a view to ensuring that the new director is properly informed to commence his duties as a director. Each new director is also given the opportunity to meet with the auditors and counsel to the Corporation. Sid Dutchak and Dr. Brendan Miles are the current members of the CGCN Committee.

Nomination of Directors

The Board has appointed the CGCN Committee which is responsible for identifying and nominating new Board member candidates and recommending them to the Board as a whole. The CGCN Committee members assess the composition of the Board and are responsible for identifying potential director nominees, with the goal of ensuring that the Board consists of an appropriate number of directors who collectively possess the competencies identified as being appropriate to the effectiveness of the Board as a whole, and that there is an appropriate level of representation on the Board by independent directors.

Ethical Business Conduct

The directors encourage and promote a culture of ethical business conduct through communication and supervision as part of their overall stewardship responsibility. The Board has adopted a Corporate Governance Charter, a Business Conduct Policy and a Share Trading Policy. The Board is of the view that the requirements of the Audit Committee Charter and the ability of the members of the Board to reference outside professional advisors, facilitate the Corporation meeting ethical business standards.

Other Board Committees

The Corporation has no standing committees at this time, other than the CGCN Committee and Audit Committee (as discussed below).

Assessment of Directors, the Board and Board Committees

The CGCN Committee is responsible for assessing, on a regular basis, the structure, composition, effectiveness and contribution of the Board, each committee of the Board and of the directors.

Compensation

Members of the Board are compensated for acting as directors, through fees and equity-based compensation, including stock options. The CGCN Committee is responsible for reviewing the Corporation's overall compensation strategy and recommending to the Board the fees and stock options for each director taking into account such matters as time commitment, responsibility and compensation provided by comparable organizations.

Please see "*Oversight and Description of Director and Named Executive officer Compensation*" for additional information regarding the role of the Board in determining compensation for directors and the Chief Executive Officer.

Audit Committee

The audit committee (the "**Audit Committee**") is a committee of the Board established for the purpose of overseeing the accounting and financial reporting process of the Corporation and annual external audits of the financial statements. The Audit Committee has set out its responsibilities and composition requirements in fulfilling its oversight in relation to the Corporation's internal accounting standards and practices, financial information, accounting systems and certain procedures, which are set out below in the Corporation's audit committee mandate.

Audit Committee Charter

The Board has developed a written Audit Committee charter (the "**Charter**"). A copy of the Charter is attached as Appendix A to this Circular.

Composition of the Audit Committee

The Audit Committee consists of Dave Majeski, who serves as Audit Committee Chairman, Sid Dutchak and Danny Dalla-Longa. Each member of the Audit Committee is considered "financially literate" as defined in National Instrument 52-110 – Audit Committees ("**NI 52-110**"). Mr. Majeski and Mr. Dutchak are considered "independent" as defined in NI 52-110 and Danny Dalla-Longa is not independent by virtue of being the former President and Chief Executive Officer of the Corporation.

Upon closing of the Transaction, it is anticipated that the Audit Committee of the Resulting Issuer will be reconstituted to consist of members of the Post-Transaction Nominees. It is anticipated that a majority of the members of the Audit Committee of the Resulting Issuer will not be executive officers, employees or control persons of the Resulting Issuer or an affiliate thereof, and that all will be financially literate within the meaning of NI 52-110.

Relevant Education and Experience

Each of the member of the Audit Committee has the industry experience necessary to understand and analyze financial statements of the level of complexity of the Corporation, as well as the understanding of internal controls and procedures necessary for financial reporting. The specific education and experience of each is as follows.

Mr. Dutchak is president of Genstate Development Corp., a private Calgary based consulting firm. Mr. Dutchak served as director and executive officer of several companies listed on the TSX, TSXV and NASDAQ exchanges in a wide array of sectors including technology, resource development, oilfield services, and entertainment.

Mr. Dave Majeski was most recently the Vice President Real Estate and Construction Services in Edmonton and the market lead for Red Deer North which included north-eastern British Columbia and the Territories at the Royal Bank of Canada. Dave is a graduate of the Institute of Corporate Directors – Rotman Directors Education Program. He serves as an Adviser to Freedom Cannabis, a Director of the Edmonton Police Foundation, a Trustee for the Sawridge First Nation and a Director of Imperial Equities Corporation a TSXV listed company.

Danny Dalla-Longa, CPA-CA, CBV, is the President of Dalco Capital Ltd. Previously, Mr. Dalla-Longa served as Vice President of Corporate Finance at several brokerage firms. Prior to Dalco Capital Ltd., Mr. Dalla-Longa was a partner in the corporate finance and business valuations group of a major international accounting firm for 18 years. He has extensive experience with public companies in several different industry sectors.

Audit Committee Oversight

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

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific pre-approval policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter attached as Appendix B hereto.

External Auditor Service Fees

Davidson & Company LLP are the auditors of the Corporation. The following table provides details in respect of audit, audit related, tax and other fees billed by the Corporation's external auditor in each of the last two financial years:

Nature of Services	**For the for the fiscal year ended December 31, 2022**	**For the for the fiscal year ended December 31, 2023**
Audit Fees(1)	$35,551.95	$22,774.50
Audit-Related Fees(2)	N/A	N/A
Tax Fees(3)	$3,210.00	TBD
All Other Fees(4)	N/A	N/A
Total	$38,761.95	$22,774.50

Notes:

1. Includes fees paid for the audit of the annual financial statements and other regulatory audits and filings.
2. Includes fees billed for paid for services related to interim reviews and the information circular.
3. Includes fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for paid for tax compliance, tax advice, tax planning, Scientific Research Experimental Development and advisory services.
4. No other fees were billed by the auditor of the Corporation other than those listed in the other rows.

Exemption

The Common Shares trade on the Exchange. Accordingly, the Corporation is a "venture issuer" pursuant to NI 52-110 (its securities are not listed or quoted on any of the Toronto Stock Exchange, a market in the U.S., or a market outside of Canada and the U.S.), and under section 6.1 of NI 52-110 it is exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

STATEMENT OF EXECUTIVE COMPENSATION

The following information regarding executive compensation is presented in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* and sets forth compensation for each of the Named Executive Officers (as defined below) and directors of the Corporation during the two most recently completed financial years. Disclosure is required to be made in relation to "Named Executive Officers" or "NEOs", being (a) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as the Chief Executive Officer, including an individual performing functions similar to a Chief Executive Officer, (b) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as Chief Financial Officer, including an individual performing functions similar to a Chief Financial Officer; (c) in respect of the Corporation, the most highly compensated executive officer, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was more than $150,000 for that financial year, and (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, at the end of that financial year.

During the Corporation's financial year ended December 31, 2023, the Corporation had three NEOs: (i) Danny Dalla-Longa, who held the position of Chief Executive Officer until December 21, 2023; (ii) Michael Rodyniuk, Chief Executive Officer of the Corporation; and (iii); Curtis Smith, Chief Financial Officer.

Description of Director and Named Executive Officer Compensation

The Corporation paid its independent directors an annual retainer of $8,000 for the year ended December 31, 2021. Mr. Dutchak receives an additional $2,000 per year for holding the position of Chairman of the Board. In addition, the directors were reimbursed for expenses incurred in carrying out their duties as directors. As of April 1, 2022, the retainer fee ceased. No director fees have been paid since April 1, 2022.

Mr. Dalla-Longa did not receive additional compensation as a director in 2022.

The Corporation does not have share-based award plans, non-equity incentive plans or pension plans for its directors.

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation to each Named Executive Officer and director of the Corporation in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of the Corporation for services provided and for services to be provided, directly or indirectly, to the Corporation, for each of the Corporation's two (2) most recent completed financial years.

The Corporation does not have any share-based award plans, non-equity long-term incentive plans, or any defined benefit or defined contribution pension plans for its NEOs. Further, no NEO or director of the Corporation received any perquisites that are not generally available to all employees and that in the aggregate, were greater than: (i) $15,000 where the NEO's or director's total salary for the financial year is $150,000 or less, (ii) 10% of the NEO's or director's salary for the financial year, where the NEO's or director's total salary for the financial year is greater than $150,000 but less than $500,000; or (iii) $50,000, where the NEO's or director's total salary for the financial year is $500,000 or greater.

Name and position	Fiscal Year Ended December 31	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of Perquisites[4] ($)	Value of all Other Compensation[3] ($)	Total Compensation ($)
Danny Dalla-Longa Former Chief Executive Officer and Director[1,2,]	2023 2022	Nil 70,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 70,000
Curtis Smith Chief Financial Officer	2023 2022	Nil 44,255	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 44,255
Sid Dutchak Director[4,5]	2023 2022	Nil 2,500	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 2,500
Dr. Brendan Miles Director	2023 2022	Nil 2,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 2,000
Dave Majeski Director	2023 2022	Nil 2,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 2,000
Michael Rodyniuk[5] Chief Executive Officer and Director	2023	Nil	Nil	Nil	Nil	Nil	Nil

1 All compensation paid to Mr. Dalla-Longa is in respect of his position as an executive officer of the Corporation.

2 Mr. Dalla-Longa does not receive any additional compensation for acting as a director of the Corporation.

3 "Value of All Other Compensation" relates to stock options issued during the year.

4 Perquisites include, without limitation, car, car lease, car allowance or car loan, personal insurance, parking, accommodation, including use of vacation accommodation, financial assistance, club memberships, use of corporate motor vehicle, reimbursement for tax on perquisites or other benefits, and investment-related advice and expenses. In the fiscal years ended 2018 and 2019, no perquisites were provided to any NEO or director that were not generally available to all employees and that, in aggregate, were greater than: (i) $15,000, if the NEO's or director's total salary for the financial year is $150,000 or less; (ii) 10% of the NEO's or director's salary for the financial year, if the NEO's or director's total salary for the financial year is greater than $150,000 but less than $500,000; or (iii) $50,000, if the NEO's or director's total salary for the financial year is $500,000 or greater.

5 Michael Rodyniuk was appointed as Chief Executive Officer or to the Board on December 21, 2023.

External management companies

Mr. Dalla Longa was compensated for acting as the President and Chief Executive Officer of the Corporation pursuant to the terms of a management agreement. Under the terms of the management agreement with Danny D. Dalla-Longa Professional Corporation, a company controlled by Mr. Dalla-Longa, Mr. Dalla-Longa had his monthly renumeration decrease from $13,333 to $6,667 per month. Effective May 1, 2020, the monthly retainer payable decreased from $6,667 to $Nil per month. Starting March 1, 2021, Mr. Dalla-Longa's renumeration was accrued (but not paid) at a rate of $10,000 per month. This accrual ended on July 31, 2022. The management contract can be terminated with one month's notice without penalty. Under the terms of the management agreement, Danny D. Dalla-Longa Professional Corporation is entitled to full reimbursement of all third party general and administration cost. Danny Dalla-Longa ceased to act as the Corporation's President and Chief Executive Officer effective December 2023.

For the total compensation paid to Mr. Dalla-Longa, please see the summary table above.

Employment, Consulting and Management Agreements

Please refer to the External Management Companies section for details surrounding the compensation of Danny Dalla-Longa, the Corporation's former Chief Executive Officer.

Effective April 1, 2020, Mr. Smith's consulting fee for his position as a contract Chief Financial officer was decreased from $145,000 to $72,500 per annum. As of Feb 1, 2022, Mr. Smith agreed to a payment of 50% of his monthly salary, with the balance being accrued. This accrual continued until July 31, 2022, at which time the payments and accrual ceased. He continues to advise the Corporation without pay.

As at December 31, 2021, the Corporation was not a party to any compensatory plan, contract or arrangement where a Named Executive Officer is entitled a payment from the Corporation in the event of resignation, retirement or termination of employment of such persons, change of control of the Corporation or a change in the Named Executive Officer's responsibilities following a change of control, other than as described in the preceding paragraphs.

Oversight and Description of Director and Named Executive officer Compensation

The CGCN Committee is primarily responsible for evaluating and making recommendations to the Board for the compensation of directors and NEOs. During the financial year ended December 31, 2022, the CGCN Committee was made up of Sid Dutchak and Dr. Brendan Miles.

The overall compensation program is intended to attract and retain competent, committed individuals who will ensure the long-term success of the Corporation by rewarding performance and contributions to the achievement of corporate goals and objectives. The Corporation strives to maintain alignment between the interests of shareholders with those of executives and key employees. To this end, salaries for the Chief Executive Officer and certain of the key employees, have been held significantly below market, and employees and executives have been awarded stock options, allowing the Corporation to offer a competitive compensation package and encouraging investment in the Corporation.

Elements of Compensation and Determination of Amounts for each Element

The Corporation strives to provide a competitive compensation package, with a direct link to corporate performance, by emphasizing the components of cash and stock options to motivate highly qualified personnel. To this end, the Corporation compensates all of its executive officers through base salary and/or consulting fees, and the award of stock options, all at levels which the Corporation believes are reasonable in light of the performance of the Corporation under the leadership of the executive officers. The Corporation does not have any plans to award any sort of performance bonuses at this time, as senior management is focused on achieving commercialization. In addition, the Corporation compensates all of its non-executive directors through the payment of an annual retainer and awards of stock option at levels the Corporation believes are reasonable in light of the stage of development of the Corporation and the commitments expected of its directors. Director compensation is determined through review of market rates that other directors are being paid on boards of similar types of companies of similar size. The CGCN Committee reviews director compensation on an annual basis and makes recommendations to the Board for approval.

Base Salary

Base salary for executive officers is intended to compensate core competencies in the executive role relative to skills, level of responsibility, industry experience, individual performance and contribution to the growth of the Corporation. Base salaries for executive officers are reviewed annually by the CGCN Committee based on competitive market information, financial performance of the Corporation and the personal performance and contribution during the last financial year. The CGCN does not use a peer group to determine compensation. The CGCN Committee then recommends such compensation to the entire Board for approval.

Salaries of certain executive officers have historically been kept significantly below those of the industry and general marketplace because a greater emphasis is placed on options granted under the FluroTech Stock Option Plan in order to better align the interests of executives with those of shareholders.

Salaries of the executive officers are not determined based on any specific benchmarks or a specific formula.

2018 was the first year in which the Corporation paid salaries to its executive officers, as prior to its capital raise completed in 2018, there were no funds available to do so. Until such time as the Corporation achieves commercialization of its core technology, it does not anticipate paying any performance-based bonuses to its executive officers.

Options

Long-term equity-based incentive compensation through the granting of stock option pursuant to the FluroTech Stock Option Plan is an important element of the compensation policy because it rewards long-term performance by allowing executive officers and employees to participate in the long-term market appreciation of the common shares and the overall growth of the Corporation. The Board believes that the granting of stock options to executive officers and directors is required for the Corporation to be competitive from a total remuneration standpoint and to encourage retention. The granting of stock options also promotes the alignment of interests of shareholders and executives.

The Board, upon the recommendation of the CGCN Committee, determines the number of options to be granted to each director, officer or employee of the Corporation. In determining the number of options to be granted to individual directors, officers and employees, the CGCN Committee took into consideration the level of responsibility and experience required for the position, length of service with the Corporation, performance and personal contribution to the Corporation and previous grants to such person. Options may be recommended by Management and approved by the Board upon the commencement of an individual's employment with the Corporation based on the level of their respective responsibility within the Corporation. Additional grants may be made periodically, generally on an annual basis, to ensure that the number of options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within the Corporation.

Benefits

The NEOs are eligible to participate in the same benefits as offered to all full-time employees. The Corporation does not view these benefits as a significant element of its compensation structure but does believe that they can be used in conjunction with base salary to attract, motivate and retain individuals in a competitive environment.

Pension Plan Benefits

The Corporation 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.

Stock Options and Other Compensation Securities

Securities legislation requires the disclosure of compensation securities received or exercised during the Corporation's most recently completed financial year for the directors of the Corporation and the NEOs. No compensation securities were held, granted or issued to the Corporation's named executive officers or directors by the Corporation during the most recently completed financial year. No compensation securities were exercised by the Corporation's named executive officers or directors during the most recently completed financial year.

Stock Option Plans and Other Incentive Plans

A rolling incentive share option plan for directors, officers, employees and consultants of the Corporation (the "**FluroTech Option Plan**") was approved by the Shareholders of the Corporation at the special meeting of the Shareholders held on May 23, 2018, and was most recently reapproved at the annual and special meeting of Shareholders held on March 20, 2023.

The FluroTech Option Plan provides that the Board may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Corporation, non-transferable options. The options shall have an expiry date not later than ten (10) years after the issuance of such option, subject to extension in certain circumstances where such date occurs in a blackout period. A maximum number of Common Shares equal to ten percent (10%) of the issued and outstanding Common Shares, from time to time, may be reserved for issuance under the FluroTech Option Plan provided that options may not be granted to any one individual to purchase in excess of five percent (5%) of the then outstanding Common Shares within a 12-month period (with additional restrictions in respect of options granted to consultants and persons retained to preform investor relations activities). Options issued pursuant to the FluroTech Option Plan shall have an exercise price determined by the Board, provided that the exercise price shall not be less than the price permitted by the Exchange.

Subject to the particular provisions of the FluroTech Stock Option Plan, options granted under the FluroTech Option Plan are non-transferable and expire not later than ten years from the date of grant or, subject to extension at the discretion of the Board, ninety (90) days from the date the optionee ceases (other than be reason of death) to be an officer, director, employee or consultant of the Corporation, whichever comes first, unless the optionee was engaged in investor relations activities, in which case such exercise must occur with thirty days after the cessation of the optionee's services to the Corporation. In the event of death of an optionee, options held by the estate of such optionee shall expire not later than ten years from the date of grant or one year from the date of ceasing to be an officer, director, employee or consultant of the Corporation due to death, whichever comes first.

There have been no revisions to the FluroTech Stock Option Plan since its approval by the Shareholders on May 23, 2018.

In January 2023, all of the Corporation's stock option holders were given written notice that all stock options outstanding as of April 1, 2023 would be cancelled on April 1, 2023. As of the date hereof no options are outstanding under the FluroTech Option Plan.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information as of December 31, 2023 with respect to the Common Shares that may be issued under the FluroTech Option Plan:

Plan Category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)**	**Weighted-average exercise price of outstanding options, warrants and rights (b)**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)**
Equity compensation plans approved by securityholders	Nil	Nil	12,068,554
Equity compensation plans not approved by Shareholders	Nil	Nil	Nil
Total	Nil	Nil	12,068,554

PARTICULARS OF MATTERS TO BE ACTED UPON

Audited Financial Statements

At the Meeting, the Shareholders will receive and consider the audited financial statements of the Corporation for the fiscal years ending December 31, 2022 and December 31, 2023, together with the notes thereto and the auditors' report thereon, but no vote by the Shareholders with respect thereto is required or proposed to be taken. These financial statements, the auditor's report thereon and management's discussion and analysis are available under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

Number of Directors

The Corporation's articles stipulate there shall be not more than eleven directors and not less than three directors. The Board is currently composed of five directors. At the Meeting, the Shareholders will be asked to consider and, if thought fit, to approve an ordinary resolution:

- fixing at five the number of directors to be elected at the Meeting, to hold office until the earlier of (i) completion of the Transaction; and (ii) the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed pursuant to the by-laws of the Corporation, unless their offices are earlier vacated in accordance with the provisions of the applicable or the Corporation's by-laws; and

- fixing at six the number of directors to be elected at the Meeting, to hold office, subject to completion of the Transaction, from completion of the Transaction until the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed pursuant to the by-laws of the Corporation, unless their offices are earlier vacated in accordance with the provisions of the applicable legislation or the Corporation's by-laws.

Unless otherwise directed, it is the intention of the persons designated in the accompanying form of proxy to vote IN FAVOUR of the ordinary resolution fixing the number of directors to be elected at the Meeting as set out above.

Election of Directors

At the Meeting, Shareholders will be asked to elect:

- the five Original Board Nominees as directors of the Corporation to hold office until the earlier of (i) completion of the Transaction and (ii) the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed pursuant to the by-laws of the Corporation, unless their offices are earlier vacated in accordance with the provisions of the applicable legislation or the Corporation's by-laws; and

- the six Post-Transaction Nominees as directors of the Corporation, subject to completion of the Transaction, to hold office from completion of the Transaction until the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed pursuant to the by-laws of the Corporation, unless their offices are earlier vacated in accordance with the provisions of the applicable legislation or the Corporation's by-laws.

In the event that the Transaction is not completed, the Post-Transaction Nominees will not become directors of the Corporation. See "*Statement of Corporate Governance Practices – Board of Directors*".

Unless otherwise directed, it is the intention of the persons named in the enclosed form of proxy to vote proxies IN FAVOUR of the election of the Original Board Nominees and Post-Transaction Nominees as directors of the Corporation as set out above.

The election of the Post-Transaction Nominees is a condition to the completion of the Transaction. Failure to elect the Post-Transaction Nominees could impede or prevent the completion of the Transaction. Shareholders are urged to vote in favour of this ordinary resolution.

Original Board Nominees

The following table sets forth a brief background regarding the Original Board Nominees. The information contained herein is based upon information furnished by the respective Original Board Nominees.

Name of Nominee, Current Position with the Corporation, and Province/State and Country of Residence	Occupation, Business or Employment	Director of FluroTech Since	Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly[(6)]
Danny-Dalla Longa[(1)] Director *Calgary, Alberta*	Chief Executive Officer of the Corporation from May 2018 until December 2023. Prior thereto, President of Dalco Capital Ltd.	May 2018	29,543,208[(5)(7)] 24.48%
Sid Dutchak[(1)(3)(4)] Director *Calgary, Alberta*	Currently the Managing Partner of the Genstate Group.	May 2018	10,000[(8)] >1%
Dr. Brendan Miles[(4)] Director *Calgary, Alberta*	Clinical Assistant Professor since 2018 and prior thereto Clinical Lecturer (May 2013 to 2018) with the University of Calgary. In addition, Family Physician (since 2013), Clinical Preceptor (since May 2015) and Director of Enhanced Skills Residency Program (Since 2017) with the University of Calgary.	May 2018	45,000[(9)] 3.50%
Dave Majeski [(2)] Director *Calgary, Alberta*	Retired since 2015. Prior thereto, Vice President, Royal Bank of Canada. In addition, Mr. Majeski is a Chairman of Freedom Cannabis, a Director of Norris Ford, a Trustee for the Sawridge First Nation and a Director of Imperial Equities Corporation.	August 2019	Nil
Michael Rodyniuk Chief Executive Officer and Director *Calgary, Alberta*	Chief Executive Officer of the Corporation since December 2023. Previous President & CEO roles at Canadian North Airlines, West Wind Aviation, Wasaya Airways, Hawaii Island Air, COO at Winnipeg Airports Authority and Director of Revenue at WestJet.	December 2023	Nil

Notes:

(1) Member of the Audit Committee.
(2) Chair of the Audit Committee.
(3) Chairman of the Board.
(4) Member of Compensation, Corporate Governance and Nominating Committee.
(5) Mr. Dalla-Longa holds all Common Shares through Dalco Capital Corp., an entity wholly-owned by Mr. Dalla-Longa.
(6) Calculated based on the number of issued and outstanding Common Shares as of the Record Date.
(7) Following the completion of the Initial Consolidation, Mr. Dalla-Longa will hold 1,969,547 Common Shares.
(8) Following the completion of the Initial Consolidation, Mr. Dutchak will hold 667 Common Shares.
(9) Following the completion of the Initial Consolidation, Dr. Miles will hold 3,000 Common Shares.

Post-Transaction Nominees

The following table sets forth a brief background regarding the Post-Transaction Nominees, none of whom are currently directors of the Corporation, followed by additional biographical information. The information contained herein is based upon information furnished by the respective Post-Transaction Nominees.

Name of Nominee and Province/State and Country of Residence	Occupation, Business or Employment	Director of FluroTech Since(1)	Number of Common Shares Expected to be Beneficially Owned, or Controlled or Directed, Directly or Indirectly(2)
Michael Rodyniuk *Calgary, Alberta*	Chief Executive Officer of the Corporation since December 2023. Previous President & CEO roles at Canadian North Airlines, West Wind Aviation, Wasaya Airways, Hawaii Island Air, COO at Winnipeg Airports Authority and Director of Revenue at WestJet.	December 2023	Nil
Michael Swistun *Winnipeg, Manitoba*	Chief Executive Officer and President of Canadian Gold Corp.	N/A	Nil
James O'Brien *Toronto, Ontario*	M&A Advisory	N/A	Nil
Pat Campling *Prince Albert, Alberta*	Chief Executive Officer of Great Slave Helicopters 2019 Ltd.	N/A	Nil
Ravi Latour *Calgary, Alberta*	Partner at Borden Ladner Gervais LLP focused on securities and corporate matters	N/A	Nil
Sid Dutchak *Calgary, Alberta*	Currently the Managing Partner of the Genstate Group.	May 2018	10,000(3) >1%

Notes:

(1) In the event that the Transaction is not completed, the Post-Transaction Nominees will not become directors of the Corporation. See "*Statement of Corporate Governance Practices – Board of Directors*".
(2) Calculated based on the number of issued and outstanding Common Shares as of the date of the Record Date. Information regarding the shareholdings of the Post-Transaction Nominees shall be further provided in the Filing Statement of the Corporation to be posed on SEDAR+ in connection with the Transaction.
(3) Following the completion of the Initial Consolidation, Mr. Dutchak will hold 667 Common Shares.

Michael Rodyniuk, President, Chief Executive Officer and Director

Michael is a distinguished aviation industry leader. His experience in leadership roles includes President & CEO positions at Canadian North Airlines, West Wind Aviation, Wasaya Airways and an executive Vice Chairman at Hawaii Island Air, Rodyniuk brings a proven track record of success to CAFC. He served as SVP & Airport COO at Winnipeg Airports Authority, Director of Revenue at WestJet, and VP & COO at Exchange Income Corporation. Rodyniuk is a graduate of the University of Manitoba's Asper School of management with an MBA, as well as a graduate of Mount Royal University (College). Michael Rodyniuk and Michael Swistun are former colleagues, working together building the Aviation division of another publicly traded company. Rodyniuk is certified by the Canadian Institute of Corporate Directors as an ICD.D.

Michael Swistun, Chief Investment Officer and Director

Michael, a former capital markets executive with Exchange Income Corp. and Wellington West Capital, will lead Subco's Investment review and strategic operations. Michael is a chartered financial analyst, and most

recently served as the secretary to the Economic Development Board of the Province of Manitoba. Michael also served as CEO of ASBEX Inc., based in Ottawa, where he led a speciality trade contractor during its transition of ownership. Further, he previously served as the managing director of FMI Capital Advisories Inc., where he worked closely with construction company owners on financial advisory, mergers and acquisitions, valuations and ownership transfer issues. Prior to these roles, Swistun served as director of acquisitions for Winnipeg-based Exchange Income Corporation, where he led Subco's acquisition efforts in the aerospace and manufacturing and distribution industries throughout North America. Swistun has a Bachelor of Commerce in finance and marketing from the Asper School of Business as the University of Manitoba.

James O'Brien, Chief Legal Officer/VP Corporate Development and Director

James was a former M&A partner at MLT Aikins for 12 years and represented a broad range of clients and regularly advised on various corporate matters that focused on the sale and acquisition of businesses across a wide array of industries including agriculture, manufacturing, aviation, transport and healthcare. He was also the founder of a Canadian real estate asset management firm focused on the development of multi-family housing. He is a current board member and the chair of the audit committee of a NASDAQ-listed public company.

Pat Campling, Director

Pat is an aviation executive from Northern Saskatchewan with over 43 years of aviation experience and comes from a long line of aviation pioneers and innovators, being the son of the late Pat Campling Sr., the founder of La Ronge Aviation. Pat is the former CEO and account executive of GS Heli. Prior to his role as CEO of GS Heli, Pat was the co-founder of Trans West Air and served as interim chief executive of Saskatchewan-based group West Wind Aviation.

Ravi Latour, Director

Ravi is a Partner at Borden Ladner Gervais LLP ("**BLG**") and is the Regional Group Manager for BLG Calgary's Corporate & Capital Markets Group. Ravi has extensive experience in a broad range of securities and corporate law matters, acting for issuers, underwriters, agents, private equity, venture capital and investors in corporate finance and mergers & acquisition matters, including going public transactions, plans of arrangements, and restructurings. Ravi is a member of BLG's Environmental, Social & Governance leadership team, a member of BLG's M&A Steering Committee, US and UK Strategy Committees and the Co-Chair of the firm's Race Action Committee. He is consistently recognized as a leading lawyer in Canada, including most recently in the 2024 edition of The Canadian Legal Lexpert® Directory (Corporate Mid-Market, Private Equity, Corporate Commercial Law and Energy - Oil & Gas categories), the 2024 edition of Best Lawyers in Canada® (Corporate Law), the 2023 edition of the Lexpert Special Edition: Technology & Health Sciences, the 2023 edition of the Lexpert Special Edition: Finance and M&A and as a Lexpert Rising Star: Leading Lawyer Under 40, among other notable recognition and awards. Ravi graduated from the University of Manitoba with a Juris Doctor degree in 2012 and was admitted to the Alberta bar in 2013.

Sid Dutchak, Director

Mr Dutchak is currently the Managing Partner of the Genstate Group and Chairman of Seekintoo Ltd. Prior thereto, former Chief Executive Officer of Great Prairie Energy Services (2011 to 2015). Mr. Dutchak has an extensive background in law and executive management and directorship of a range of public companies, including specialization in company regulatory compliance and corporate governance. After practicing corporate law, Mr. Dutchak was elected to the Saskatchewan Conservative government and was appointed Minister of Justice and Attorney General. He also served as the minister responsible for the Saskatchewan Mining and Development Corporation, serving as its Chair of the Board. After his political appointment, Mr. Dutchak continued to focus on corporate and commercial law and resource based negotiations and was appointed as a senior negotiator to the Government of Canada. He has served in executive and chair roles in a number of public companies and continues as a consultant to public companies.

Orders, Penalties and Bankruptcies

To the knowledge of the Corporation, as of the date hereof, other than as disclosed herein, no Original Board Nominee or Post-Transaction Nominee:

- is, or has been, within 10 years before the date hereof, a director, Chief Executive Officer or Chief Financial Officer of any company (including the Corporation) that:
  - 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
  - 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;
- is, or has been, within 10 years before the date hereof, a director or executive officer of any company (including the Corporation) that, while such Original Board Nominee or Post-Transaction Nominee was acting in that capacity, or within a year of such Original Board Nominee or Post-Transaction Nominee 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
- has, within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such Original Board Nominee or Post-Transaction Nominee.

For the purposes of the above section, the term “order” means:

- a cease trade order, including a management cease trade order;
- an order similar to a cease trade order; or
- an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

To the knowledge of the Corporation, as of the date hereof, no Original Board Nominee or Post-Transaction Nominee has been subject to:

- any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- any other penalties or sanctions imposed by a court or regulatory body,

that would likely be considered important to a reasonable Shareholder in deciding to vote for a proposed director.

Appointment of Auditor

Davidson & Company LLP of Vancouver, British Columbia the present auditor of the Corporation, was first appointed as such on November 1, 2022. Management recommends the re-appointment of Davidson & Company LLP as the auditor to hold office until the close of the next annual meeting of the Shareholders. Davidson & Company LLP is located at 609 Granville St #1200, Vancouver, BC V7Y 1H4.

Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies IN FAVOUR of the appointment of Davidson & Company LLP as auditors of the Corporation at remuneration to be fixed by the Board.

Name Change

Upon completion of the Transaction, the Corporation intends that the business of Resulting Issuer will be in the aviation industry. In connection therewith, the Corporation wishes to complete the Name Change to "Consolidated Aerospace Finance Corporation", or such other name as the Board, in its sole discretion, deems appropriate or as may be required or permitted by applicable regulatory authorities pursuant to subsection 173(1)(a) of the ABCA. The Board has determined that the Name Change is in the best interests of the Corporation in order to reflect the change in its business activities.

The Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, a special resolution authorizing the amendment of the articles of the Corporation to effect the Name Change (the "**Name Change Resolution**"). To be effective, the Name Change Resolution must be approved by the affirmative vote of not less than two-thirds (2/3) of the votes cast by the holders of Common Shares present in person or by proxy at the Meeting.

Approval of the Name Change is a condition to the completion of the Transaction. Failure to approve the Name Change Resolution could impede or prevent the completion of the Transaction. Shareholders are urged to vote in favour of this special resolution.

The text of the Name Change Resolution is as follows:

"**BE IT RESOLVED** as a special resolution of the Shareholders that:

1. concurrently with, and conditional upon, the completion of the Transaction, the Corporation be and is hereby authorized to change the name of the Corporation to "Consolidated Aerospace Finance Corporation" or such name as determined by the Board in its sole discretion;

2. any one director or officer of the Corporation be and is hereby authorized and directed for and on behalf of the Corporation, whether under its corporate seal or otherwise, to execute, deliver and file all such documents and to take all such other action(s) as may be deemed necessary or desirable for the implementation of this special resolution and any matters contemplated thereby; and

3. the directors of the Corporation are hereby authorized and granted with absolute discretion to abandon the change of name of the Corporation at any time without further approval, ratification or confirmation by the shareholders of the Corporation."

The requisite regulatory approvals for the Name Change, including the approvals of the Exchange, if required (or any other stock exchange on which the Common Shares are listed), may not be sought by the Corporation until after the Board decides to implement the Name Change. There can be no assurance that the applicable regulatory approvals for the Name Change will be obtained. The Name Change Resolution authorizes the Board not to proceed with the Name Change, without further approval of the Shareholders, before the issuance by the Registrar of a certificate of amendment or articles in respect of such amendment.

Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies IN FAVOUR of the Name Change Resolution. The Board unanimously recommends that Shareholders vote for the Name Change Resolution.

Consolidation

In order to effect the Transaction on the terms set out in the Definitive Agreement, the Shareholders will be asked to approve a special resolution approving the Consolidation, pursuant to subsection 173(1)(f) of the ABCA, on the basis of one post-Consolidation Common Share for every twenty-seven pre-Consolidation Common Shares. See "*Business Combination with Great Slave Helicopters 2018 Ltd. – The Definitive Agreement*".

The Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, a special resolution authorizing the Consolidation (the "**Consolidation Resolution**"). To be effective, the Consolidation Resolution must be approved by the affirmative vote of not less than two-thirds (2/3) of the votes cast by the holders of Common Shares present in person or by proxy at the Meeting.

Approval of the Consolidation is a condition to the completion of the Transaction. Failure to approve the Consolidation Resolution could impede or prevent the completion of the Transaction. Shareholders are urged to vote in favour of this special resolution.

The text of the Consolidation Resolution is as follows:

"**BE IT RESOLVED** as a special resolution of the Shareholders that:

1. immediately prior to completion of the Transaction, the Corporation be and is hereby authorized to consolidate the issued and outstanding common shares in the share capital of the Corporation ("**Common Shares**") on the basis of one post-consolidation Common Share for every twenty-seven (27) pre-consolidation Common Shares (the "**Consolidation Ratio**"), or such other Consolidation Ratio as the Board, in its sole discretion, may determine so long as the Consolidation Ratio is less than one post-consolidation Common Share for up to every thirty (30) pre-consolidation Common Shares (the "**Consolidation**");

2. no fractional Common Shares shall be issued in connection with the Consolidation. Where the Consolidation would otherwise result in a shareholder of the Corporation being entitled to a fractional Common Share, the number of post-Consolidation Common Shares issued to such shareholder shall be rounded down to the next lesser whole number of Common Shares;

3. any one director or officer of the Corporation be and is hereby authorized and directed for and on behalf of the Corporation, whether under its corporate seal or otherwise, to execute, deliver and file all such documents and to take all such other action(s) as may be deemed necessary or desirable for the implementation of this resolution and any matters contemplated thereby; and

4. the directors of the Corporation are hereby authorized and granted with absolute discretion and without further approval of the shareholders, to revoke, rescind, and/or abandon the foregoing resolution before it is acted upon."

The requisite regulatory approvals for the Consolidation, including the approvals of the Exchange, if required (or any other stock exchange on which the Common Shares are listed), may not be sought by the Corporation until after the Board decides to implement the Consolidation. There can be no assurance that the applicable regulatory approvals for the Consolidation will be obtained. The Consolidation Resolution authorizes the Board not to proceed with the Consolidation, without further approval of the Shareholders, before it is acted upon.

Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies IN FAVOUR of the Consolidation Resolution. The Board unanimously recommends that Shareholders vote for the Consolidation Resolution.

Effect of Consolidation

The Consolidation will not materially affect any Shareholders' percentage ownership in the Corporation, although such ownership will be represented by a smaller number of post-Consolidation Common Shares. If the Consolidation is approved and given effect, the number of Common Shares outstanding prior to completion of the Transaction will depend on the final Consolidation ratio agreed to by the Board. The Consolidation is expected to 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 Common Shares). As a general rule, the cost to Shareholders transferring an odd lot of Common Shares is somewhat higher than the cost of transferring a "board lot". Nonetheless, the Board believes the Consolidation is in the best interest of the Corporation as the Consolidation is a condition to complete the Transaction despite the potential increased cost to Shareholders in transferring odd lots of post-Consolidation Common Shares.

Fractional Shares

If the Consolidation is implemented, fractional post-Consolidation Common Shares will not be issued to Shareholders. Where the Consolidation would otherwise result in a Shareholder being entitled to a fractional Common Share, the number of post-Consolidation Common Shares issued to such holder of Common Shares shall be rounded down to the next whole number of Common Shares. In calculating such fractional interests, all Common Shares held by a beneficial holder shall be aggregated.

Implementation of Consolidation

Shareholders will be notified as soon as practicable after the Consolidation becomes effective. The Corporation expects that Odyssey will act as exchange agent for purposes of implementing the exchange of share certificates.

Following the filing by the Corporation of articles of amendment implementing the Name Change and Consolidation (assuming that the Name Change Resolution and Consolidation Resolution are passed at the Meeting), all Common Shares held by Shareholders will be consolidated without any further action required by Shareholders. Upon completion of the Name Change and Consolidation, the number of Common Shares outstanding will be so adjusted on the Corporation's register of Common Shares maintained by the Corporation's transfer agent, and registered Shareholders will receive a share certificate or a statement prepared by such transfer agent pursuant to its direct registration system (a "**DRS Advice Statement**") evidencing the post-Consolidation Common Shares to which such Shareholder is entitled. Beneficial Shareholders should note that their intermediaries may have various procedures for processing the Name Change and Consolidation. Beneficial Shareholders will not receive a share certificate or DRS Advice Statement upon completion of the Name Change and Consolidation. If a beneficial Shareholder has any questions in this regard, the beneficial Shareholder is encouraged to contact its intermediary.

<u>FluroTech Option Plan</u>

The Corporation currently has a stock option plan in place, being the FluroTech Option Plan, substantially in the form attached hereto as Appendix C, pursuant to which the Board may grant non-transferable options to purchase Common Shares to directors, officers, employees and technical consultants of the Corporation. The purpose and details of the FluroTech Option Plan are described further under the section of this Circular titled "*Executive Compensation – Option Plan*".

The policies of the Exchange require all rolling stock option plans (i.e., a plan reserving for issuance pursuant to the exercise of stock options a number of shares of the Corporation equal to up to a maximum of 10% of the issued shares of the Corporation at the time of any stock option grant) be approved annually at the Corporation's annual general meeting.

In accordance with the requirements of the Exchange, the FluroTech Option Plan must be reapproved by the Shareholders at each annual general meeting. There have not been any material changes to the FluroTech Option Plan since its original adoption by the Corporation. At the Meeting, Shareholders will be asked to consider and,

if deemed advisable, to approve an ordinary resolution approving the FluroTech Option Plan. If the ordinary resolution approving the FluroTech Option Plan is approved by a simple majority of the votes cast thereon by Shareholders present in person or represented by proxy at the Meeting, the FluroTech Option Plan shall remain effective until the earlier of (a) the completion of the Transaction; or (b) if the Transaction is not completed, until the next annual general meeting of the Corporation. The Board and Management of the Corporation believe that the approval of the FluroTech Option Plan is in the best interests of the Corporation and its Shareholders and, accordingly, recommend that Shareholders vote in favour of the approval of the FluroTech Option Plan.

The Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution approving the FluroTech Option Plan (the "**FluroTech Option Plan Resolution**"). To be effective, the FluroTech Option Plan Resolution must be approved by the affirmative vote of not less than a majority of the votes cast by the holders of Common Shares present in person or by proxy at the Meeting.

The text of the FluroTech Option Plan Resolution is as follows:

"**BE IT RESOLVED** as an ordinary resolution of the Shareholders that:

1. the Corporation's stock option plan (the "**FluroTech Option Plan**") in the form attached as Appendix C to the management information circular of the Corporation, dated April 22, 2024, be and is hereby approved with such modifications as may be required by the Exchange (or any other stock exchange on which the Common Shares are listed);

2. the maximum number of Common Shares of the Corporation which may be issued under the FluroTech Option Plan shall be equal to 10% of the then issued and outstanding Common Shares of the Corporation from time to time; and

3. any one director of officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, to execute, or cause to be executed, whether under corporate seal of the Corporation or otherwise, and to deliver or file, or cause to be delivered or filed, as the case may be, all applications, declarations, documents and instruments and do all such other acts and things as he or she may determine necessary or advisable to give effect to this resolution."

The requisite regulatory approvals for the FluroTech Option Plan, including the approvals of the Exchange (or any other stock exchange on which the Common Shares are listed), may not be sought by the Corporation until after the Meeting. There can be no assurance that the applicable regulatory approvals for the FluroTech Option Plan will be obtained.

Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies IN FAVOUR of the FluroTech Option Plan Resolution.

The Resulting Issuer Stock Option Plan

In connection with the Transaction, the Corporation wishes to obtain Shareholder approval, and at the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve, with or without variation, an ordinary resolution approving the adoption of a new equity incentive plan of the Corporation, substantially in the form attached hereto as Appendix D, to be effective upon the completion of the Transaction (the "**Resulting Issuer Option Plan**"). The purpose of the Resulting Issuer Option Plan is to promote the long-term success of the Resulting Issuer and the creation of Resulting Issuer shareholder value by: (i) encouraging the attraction and retention of eligible persons; (ii) encouraging such eligible persons to focus on critical long-term objectives; and (iii) promoting greater alignment of the interests of such eligible persons with the interests of the Resulting Issuer. The Resulting Issuer Option Plan provides for the grant of the following equity-based compensation awards: (i) stock options of the Corporation; (ii) restricted share units of the Corporation; (iii) deferred share units of the Corporation; (iv) performance share units of the Corporation; and (v) share appreciation rights (collectively, the "**Awards**").

Summary of Resulting Issuer Option Plan

The following section provides a summary of certain material terms of the Resulting Issuer Option Plan, which summary is qualified in its entirety by the full text of the Resulting Issuer Option Plan, included as Appendix D to this Circular. The Board encourages Shareholders to read the full text of the Resulting Issuer Option Plan before voting on an ordinary resolution approving the Resulting Issuer Option Plan (the "**Resulting Issuer Option Plan Resolution**").

Purpose of Resulting Issuer Option Plan

The purpose of the Resulting Issuer Option Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified directors, employees and consultants of the Corporation and its subsidiaries, to reward such of those directors, employees and consultants as may be granted awards under the Resulting Issuer Option Plan by the Board from time to time for their contributions toward the long-term goals and success of the Corporation and to enable and encourage such directors, employees and consultants to acquire common shares of the Corporation as long-term investments and proprietary interests in the Corporation.

Shares Subject to the Resulting Issuer Option Plan

The Resulting Issuer Option Plan is a hybrid plan which, subject to the adjustment provisions provided for therein, provides that the aggregate maximum number of shares that may be issued upon the exercise or settlement of Awards granted under the Resulting Issuer Option Plan shall not exceed:

(a) with respect to shares reserved for issuance pursuant to restricted share units, performance share units or deferred share units, ten percent (10%) of the Corporation's total issued and outstanding shares as of the effective date of the Resulting Issuer Option Plan; and

(b) with respect to shares reserved for issuance pursuant to options, ten percent (10%) of the Corporation's total issued and outstanding shares as at the time of the applicable option grant.

The Resulting Issuer Option Plan is not considered an "evergreen" plan, and the shares covered by Awards which have been exercised shall not be available for subsequent grants under the Resulting Issuer Option Plan; provided, however, that any awards that have been settled in cash, cancelled, terminated, surrendered, forfeited or expired without being exercised, and pursuant to which no securities have been issued, may continue to be issuable under the Resulting Issuer Option Plan.

Additional Limits on Awards

The Resulting Issuer Option Plan also provides that the aggregate number of shares (a) issuable to insiders of the Corporation at any time (under all of the Corporation's security-based compensation arrangements) cannot exceed 10% of the Corporation's issued and outstanding shares and (b) issued to insiders of the Corporation within any one year period (under all of the Corporation's security-based compensation arrangements) cannot exceed 10% of the Corporation's issued and outstanding shares calculated at the time of issuance.

Furthermore, the following additional restrictions are imposed under the Resulting Issuer Option Plan:

(a) the aggregate number of shares which may be reserved for issuance to any one participant, together with all of the Corporation's previously established or proposed equity based compensation arrangements shall not exceed 5% of the issued and outstanding shares on the grant date or within any 12-month period;

(b) the aggregate number of Awards granted to any consultant in any 12-month period must not exceed 2% of the issued and outstanding shares calculated at the grant date of each award;

(c) the aggregate number of options granted to all persons providing Investor Relations Activities (as such term is defined in the applicable policies of the TSXV) as compensation within a one-year period, shall not exceed 2% of the issued and outstanding shares in any 12-month period calculated at the grant date of each option; and

(d) options issued to any person retained to provide Investor Relations Activities must vest in a period of not less than 12 months from the grant date and with no more than 25% of the options vesting in any three-month period.

Administration of the Resulting Issuer Option Plan

The "Plan Administrator" is determined by the Board, and is initially administered by the Board. The Resulting Issuer Option Plan may in the future continue to be administered by the Board itself or be delegated to a committee of the Board. The Plan Administrator determines which directors, consultants and employees are eligible to receive awards under the Resulting Issuer Option Plan, the time or times at which Awards may be granted, the conditions under which Awards may be granted or forfeited to the Corporation, the number of shares to be covered by any Award, the exercise price of any Award, whether restrictions or limitations are to be imposed on the shares issuable pursuant to grants of any Award, and the nature of any such restrictions or limitations, any acceleration of exercisability or vesting, or waiver of termination regarding any award, based on such factors as the Plan Administrator may determine.

In addition, the Plan Administrator interprets the Resulting Issuer Option Plan and may adopt guidelines and other rules and regulations relating to the Resulting Issuer Option Plan, and make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Resulting Issuer Option Plan.

Eligibility

All directors, employees and consultants of the Corporation and its subsidiaries are eligible to participate in the Resulting Issuer Option Plan. The extent to which any such individual is entitled to receive a grant of an Award pursuant to the Resulting Issuer Option Plan will be determined in the sole and absolute discretion of the Plan Administrator.

Types of Awards

Awards of options, restricted share units, performance share units, deferred share units and share appreciation rights may be made under the Resulting Issuer Option Plan. All of the awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Plan Administrator, in its sole discretion, subject to such limitations provided in the Resulting Issuer Option Plan, and will generally be evidenced by an award agreement. In addition, subject to the limitations provided in the Resulting Issuer Option Plan and in accordance with applicable law, the Plan Administrator may accelerate or defer the vesting or payment of awards, cancel or modify outstanding awards, and waive any condition imposed with respect to awards or shares issued pursuant to awards.

Options

An option entitles a holder thereof to purchase a prescribed number of treasury shares at an exercise price set at the time of the grant. The Plan Administrator will establish the exercise price at the time each option is granted, which exercise price shall not be less than the TSXV Market Price (as such term is defined in the Resulting Issuer Option Plan), as calculated under the policies of the TSXV.

Subject to any accelerated termination as set forth in the Resulting Issuer Option Plan, each option expires on its respective expiry date. The Plan Administrator will have the authority to determine the vesting terms applicable to grants of options. Once an option becomes vested, it shall remain vested and shall be exercisable until

expiration or termination of the option, unless otherwise specified by the Plan Administrator or as otherwise set forth in any written employment agreement, award agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the participant. The Plan Administrator has the right to accelerate the date upon which any option becomes exercisable. The Plan Administrator may provide at the time of granting an option that the exercise of that option is subject to restrictions, in addition to those specified in the Resulting Issuer Option Plan, such as vesting conditions relating to the attainment of specified performance goals.

Restricted Share Units

A restricted share unit is a unit equivalent in value to a share credited by means of a bookkeeping entry in the books of the Corporation which entitles the holder to receive one share (or the value thereof) for each restricted share unit after a specified vesting period (an "**RSU**"). The Plan Administrator may, from time to time, subject to the provisions of the Resulting Issuer Option Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any participant in respect of a bonus or similar payment in respect of services rendered by the applicable participant in a taxation year (the "**RSU Service Year**").

The number of RSUs (including fractional RSUs) granted at any particular time under the Resulting Issuer Option Plan will be calculated by dividing (a) the amount of any bonus or similar payment that is to be paid in RSUs, as determined by the Plan Administrator, by (b) the greater of (i) the Market Price (as such term is defined in the Resulting Issuer Option Plan) of a share on the date of grant and (ii) such amount as determined by the Plan Administrator in its sole discretion. The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of RSUs.

Upon settlement, holders will redeem each vested RSU for the following at the election of such holder but subject to the approval of the Plan Administrator: (a) one fully paid and non-assessable share in respect of each vested RSU, (b) a cash payment, or (c) a combination of shares and cash. Any such cash payments made by the Corporation shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Price per share as at the settlement date. Subject to the provisions of the Resulting Issuer Option Plan and except as otherwise provided in an award agreement, no settlement date for any RSU shall occur, and no share shall be issued or cash payment shall be made in respect of any RSU any later than the final business day of the third calendar year following the applicable RSU Service Year.

No person retained to provide Investor Relations Activities shall receive any grant of RSUs.

Performance Share Units

A performance share unit is a unit equivalent in value to a share credited by means of a bookkeeping entry in the books of the Corporation, which entitles the holder to receive one share (or the value thereof) for each performance share unit after specific performance-based vesting criteria determined by the Plan Administrator, in its sole discretion, have been satisfied (a "**PSU**"). The performance goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the effect of termination of a participant's service and the amount of any payment or transfer to be made pursuant to any PSU will be determined by the Plan Administrator and by the other terms and conditions of any PSU, all as set forth in the applicable award agreement. The Plan Administrator may, from time to time, subject to the provisions of the Resulting Issuer Option Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any participant in respect of a bonus or similar payment in respect of services rendered by the applicable participant in a taxation year (the "**PSU Service Year**").

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of PSUs. Upon settlement, holders will redeem each vested PSU for the following at the election of such holder but subject to the approval of the Plan Administrator: (a) one fully paid and non-assessable share in respect of each vested PSU, (b) a cash payment, or (c) a combination of shares and cash. Any such cash payments made by the Corporation to a participant shall be calculated by multiplying the number of PSUs to be redeemed for cash by

the Market Price per share as at the settlement date. Subject to the provisions of the Resulting Issuer Option Plan and except as otherwise provided in an award agreement, no settlement date for any PSU shall occur, and no share shall be issued or cash payment shall be made in respect of any PSU any later than the final business day of the third calendar year following the applicable PSU Service Year.

No person retained to provide Investor Relations Activities shall receive any grant of PSUs.

Deferred Share Units

A deferred share unit is a unit equivalent in value to a share credited by means of a bookkeeping entry in the books of the Corporation which entitles the holder to receive one share (or, at the election of the holder and subject to the approval of the Plan Administrator, the cash value thereof) for each deferred share unit on a future date (a "**DSU**"). The Board may fix from time to time a portion of the total compensation (including annual retainer) paid by the Corporation to a director in a calendar year for service on the Board (the "**Director Fees**") that are to be payable in the form of DSUs. In addition, each director is given, subject to the provisions of the Resulting Issuer Option Plan, the right to elect to receive a portion of the cash Director Fees owing to them in the form of DSUs.

Except as otherwise determined by the Plan Administrator or as set forth in the particular award agreement, DSUs shall vest immediately upon grant. The number of DSUs (including fractional DSUs) granted at any particular time will be calculated by dividing (a) the amount of Director Fees that are to be paid in DSUs, as determined by the Plan Administrator, by (b) the Market Price of a share on the date of grant. Upon settlement, holders will redeem each vested DSU for: (a) one fully paid and non-assessable share issued from treasury in respect of each vested DSU, or (b) at the election of the holder and subject to the approval of the Plan Administrator, a cash payment on the date of settlement. Any cash payments made under the Resulting Issuer Option Plan by the Corporation to a participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per share as at the settlement date.

No person retained to provide Investor Relations Activities shall receive any grant of DSUs.

Share Appreciation Rights

A share appreciation right ("**SAR**") entitles the recipient to receive an amount equal to the excess of the Market Price of a share on the date of exercise of the SAR over the exercise price specified in the SAR agreement, on such terms and conditions as set forth in the SAR agreement. A SAR shall be settled in shares or cash equivalent or combination thereof as the case may be, as set forth in the SAR agreement. Each SAR awarded shall entitle the holder, upon exercise, to the following: (a) an amount, in Canadian currency, or shares, and payable as hereinafter provided, equal to the excess, if any, of: (i) the Market Price of one share on the date of exercise of the SAR, over (ii) the exercise price specified in the SAR agreement; and (b) such other benefits as may be determined by the Plan Administrator from time to time. The exercise price of the SAR agreement must not be less than the Market Price on the date the SAR is granted.

Subject Exchange policies, if the shares are listed then the Plan Administrator shall have the authority to determine the vesting terms of the SARs. The Plan Administrator shall determine, at the time of granting the particular SAR, the period during which the SAR is exercisable, which shall not be more than ten (10) years from the date the SAR is granted and the vesting schedule of such SAR, which will be detailed in the respective SAR Agreement. Unless otherwise determined by the Plan Administrator, each unexercised SAR shall be cancelled at the expiry of such SAR.

Dividend Equivalents

Except as otherwise determined by the Plan Administrator or as set forth in the particular award agreement, RSUs, PSUs and DSUs shall be credited with dividend equivalents in the form of additional RSUs, PSUs and

DSUs, as applicable, as of each dividend payment date in respect of which normal cash dividends are paid on shares. Dividend equivalents shall vest in proportion to, and settle in the same manner as, the awards to which they relate. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of RSUs, PSUs and DSUs, as applicable, held by the participant on the record date for the payment of such dividend, by (b) the Market Price at the close of the first business day immediately following the dividend record date, with fractions computed to three decimal places.

Approval of the Resulting Issuer Option Plan

The Corporation is seeking Shareholder approval for the adoption of the Resulting Issuer Option Plan, subject to closing of the Transaction. The Resulting Issuer Option Plan shall become effective upon the receipt of approval of the Shareholders and the acceptance of the Exchange and replace the existing FluroTech Option Plan upon closing of the Transaction. If the Resulting Issuer Option Plan is not approved at the Meeting, the FluroTech Option Plan will remain in place.

The Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, the Resulting Issuer Option Plan Resolution. To be effective, the Resulting Issuer Option Plan Resolution must be approved by the affirmative vote of not less than a majority of the votes cast by the holders of Common Shares present in person or by proxy at the Meeting.

The text of the Resulting Issuer Option Plan Resolution is as follows:

"**BE IT RESOLVED** as an ordinary resolution of the Shareholders that:

1. concurrently with, and conditional upon, the completion of the Transaction, the equity incentive plan substantially in the form attached as Appendix D to the management information circular of the Corporation dated April 22, 2024 (the "**Resulting Issuer Option Plan"**), be and is hereby approved and adopted as the equity incentive plan of the Corporation;

2. any one director or officer may amend the form of the Resulting Issuer Option Plan in order to satisfy the requirements or requests of any regulatory authorities, including the TSX Venture Exchange, without requiring further approval of the shareholders of the Corporation; and

3. any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this resolution."

The requisite regulatory approvals for the Resulting Issuer Option Plan, including the approvals of the Exchange (or any other stock exchange on which the Common Shares are listed), may not be sought by the Corporation until after the Meeting. There can be no assurance that the applicable regulatory approvals for the Resulting Issuer Option Plan will be obtained.

Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies IN FAVOUR of the Resulting Issuer Option Plan Resolution.

<u>The Share Terms Amendment</u>

In connection with the Transaction, at the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, a special resolution approving amendments to the share terms of FluroTech to align the articles with the provisions of the CTA, the full text of which is set forth below (the "**Share Terms Amendment Resolution**").

Assuming the Share Terms Amendment Resolution is approved at the Meeting, it is the current intention of the Corporation not to effect the Share Terms Amendment until immediately prior to the completion of the Transaction. Notwithstanding the approval of the Share Terms Amendment Resolution by Shareholders, such resolution provides that the Board may, in its sole discretion, revoke the Share Terms Amendment Resolution and abandon such proposed Share Terms Amendment without further approval or action by or prior notice to the Shareholders.

Reasons for the Share Terms Amendment

Upon completion of the Transaction, it is anticipated that the Resulting Issuer will operate in the aviation industry and will be subject to compliance with the provisions of the CTA. Furthermore, following the completion of the Transaction, it is anticipated that Amalco will continue to hold certain licences formerly held by GS Heli necessary to operate an air service. Paragraph 61(a)(i) of the CTA includes a condition that an applicant for a domestic air service operating license be a "Canadian".

Under the CTA, Amalco must at all times be able to establish that it is "Canadian" within the meaning of the CTA to be entitled to hold the licences necessary to operate an air service. As Amalco is anticipated to be a wholly owned subsidiary of the Resulting Issuer, the Resulting Issuer must qualify as "Canadian" in order for Amalco to qualify as "Canadian."

In order to remain "Canadian", the Corporation wishes to align its articles with the restrictions on the level of non-Canadian ownership and control with those prescribed by the definition of "Canadian".

The definition of "Canadian" under subsection 55(1) of the Canada Transportation Act provides that Canadian means:

(a) a Canadian citizen or a permanent resident as defined in subsection 2(1) of the Immigration and Refugee Protection Act (Canada),

(b) a government in Canada or an agent or mandatary of such a government, or

(c) a corporation or entity that is incorporated or formed under the laws of Canada or a province, that is controlled in fact by Canadians and of which at least 51% of the voting interests are owned and controlled by Canadians and where:

    (i) no more than 25% of the voting interests are owned directly or indirectly by any single non-Canadian, either individually or in affiliation with another person, and

    (ii) no more than 25% of the voting interests are owned directly or indirectly by one or more non-Canadians authorized to provide an air service in any jurisdiction, either individually or in affiliation with another person.

The articles of FluroTech do not currently provide for any restrictions with respect to subscriptions, issues, transfers or purchases which would ensure that the Corporation would be "Canadian" as defined under the CTA and meet the necessary Canadian ownership requirement. In order to meet the Canadian ownership requirement, the Corporation proposes that at the Meeting the Shareholders approve the Share Terms Amendment. The proposed Share Terms Amendment will implement a share structure that is substantially similar to the structure implemented by other publicly listed entities that are Canadian air carriers or holding companies of Canadian air carriers to address compliance with the Canadian ownership requirement.

Effect of the Share Terms Amendment

Following the Share Terms Amendment, the authorized capital of the Corporation will consist of a class of unlimited "Common Voting Shares", a class of unlimited "Variable Voting Shares" and "Preferred Shares". For

complete share terms of the Common Voting Shares and Variable Voting Shares, please see Appendix E attached hereto. The terms of the Preferred Shares are not altered by the Share Terms Amendment.

Common Voting Shares

Dividends and Distributions

The Common Voting Shares will rank equally with the Variable Voting Shares with respect to dividends and the distribution of assets in the case of liquidation, dissolution or winding-up of the Corporation or other distribution of the Corporation's assets.

Voting Rights

The Common Voting Shares will carry one vote per share held.

Conversion

Each issued and outstanding Common Voting Share shall be automatically converted into one Variable Voting Share, without any further act on the part of the Corporation or the holder of such Common Voting Share, if such Common Voting Share is or becomes beneficially owned or controlled, directly or indirectly, by a holder who is not a "Canadian" as that term is used in Section 55(1) of the CTA.

In the event that an offer is made to purchase Variable Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Variable Voting Shares are then listed, to be made to all or substantially all the holders of Variable Voting Shares, each Common Voting Share shall become convertible at the option of the holder into one

Variable Voting Share at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Common Voting Shares for the purpose of depositing the resulting Variable Voting Shares pursuant to the offer and for no other reason, including with respect to voting rights attached thereto, which are deemed to remain subject to the provisions concerning the voting rights for Common Voting Shares notwithstanding their conversion. the Corporation's transfer agent shall deposit the resulting Variable Voting Shares on behalf of the holder.

Should the Variable Voting Shares issued upon conversion and tendered in response to the offer be withdrawn by the shareholders or not taken up by the offeror, or should the offer be abandoned or withdrawn, the Variable Voting Shares resulting from the conversion shall be automatically reconverted, without further intervention on the part of The Corporation or on the part of the holder to Common Voting Shares.

Constraints on Share Ownership

The Common Voting Shares will only be able to be owned and controlled by Canadians. Any Common Voting Share owned or controlled by a person who is not a Canadian is, or must be converted to, a Variable Voting Share.

Variable Voting Shares

Dividends and Distributions

The Variable Voting Shares will rank equally with the Common Voting Shares with respect to dividends and the distribution of assets in the case of liquidation, dissolution or winding-up of the Corporation or other distribution of the Corporation's assets.

Voting Rights

The Variable Voting Shares will carry one vote per Variable Voting Share held, subject to an automatic reduction of the voting rights attached to the Variable Voting Shares in the event any of the applicable limits are exceeded. In such event, the votes attributable to Variable Voting Shares will be affected as follows:

- first, if required, a reduction of the voting rights of any single non-Canadian owner (inclusive of any single non-Canadian owner authorized to provide air service) carrying more than 25% of the votes (the "**Stage 1 Reduction**") to ensure that such non-Canadian owners never carry more than 25% of the votes that holders of shares cast at any meeting of shareholders;

- second, if required and after giving effect to the Stage 1 Reduction, a further proportional reduction of the voting rights of all non-Canadian owners authorized to provide an air service to ensure that such non-Canadian owners authorized to provide an air service (the "**Stage 2 Reduction**"), in the aggregate, never carry more than 25% of the votes that holders of shares cast at any meeting of shareholders;

- third, if required and after giving effect to the Stage 1 Reduction and the Stage 2 Reduction if any, a proportional reduction of the voting rights for all non-Canadian owners as a class to ensure that non-Canadians never carry, in aggregate, more than 49% of the votes that owners of shares cast at any meeting of shareholders.

Conversion

Each issued and outstanding Variable Voting Share shall be automatically converted into one Common Voting Share, without any further act on the part of the Corporation or the holder of such Variable Voting Share, if (i) such Variable Voting Share is or becomes beneficially owned and controlled, directly or indirectly, by a Canadian, or (ii) the provisions contained in the CTA relating to foreign ownership restrictions are repealed and not replaced with other similar provisions. Each issued and outstanding Common Voting Share shall be automatically converted into one Variable Voting Share, without any further act on the part of Corporation or the holder of such Common Voting Share, if such Common Voting Share is or becomes beneficially owned or controlled, directly or indirectly, by a holder who is not a Canadian.

In the event that an offer is made to purchase Common Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Common Voting Shares are then listed, to be made to all or substantially all the holders of Common Voting Shares in a given province of Canada to which these requirements apply, each Variable Voting Share shall become convertible at the option of the holder into one Common Voting Share at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Variable Voting Shares for the purpose of depositing the resulting Common Voting Shares pursuant to the offer, and for no other reason, including with respect to voting rights attached thereto, which are deemed to remain subject to the provisions concerning voting rights for Variable Voting Shares notwithstanding their conversion. The Corporation's transfer agent shall deposit the resulting Common Voting Shares on behalf of the holder.

Should the Common Voting Shares issued upon conversion and tendered in response to the offer be withdrawn by shareholders or not taken up by the offeror, or should the offer be abandoned or withdrawn, the Common Voting Shares resulting from the conversion shall be automatically reconverted, without further intervention on the part of The Corporation or on the part of the holder, into Variable Voting Shares.

Rights of Dissent to the Share Terms Amendment

Shareholders are entitled to dissent in respect of the Share Terms Amendment in accordance with Section 191 of the ABCA. Strict compliance with the provisions of Section 191 is required in order to exercise the right to dissent. Provided the Share Terms Amendment becomes effective, each dissenting shareholder will be entitled

to be paid the fair value of his, her or its Common Shares in respect of which such shareholder dissents in accordance with Section 191 of the ABCA. **Persons who are beneficial owners of Common Shares registered in the name of a broker, custodian, nominee or other Intermediary who wish to dissent should be aware that only the registered holders of such Common Shares are entitled to dissent.**

Accordingly, a beneficial owner of Common Shares desiring to exercise his, her or its right to dissent must make arrangements for the Common Shares beneficially owned by such person to be registered in his, her or its name, or, alternatively, make arrangements for the registered holder of his, her or its Common Shares to dissent on his, her or its behalf. **See Appendix F to this Circular for the full text of Section 191.**

In order to be effective, a written notice of objection to the Share Terms Amendment Resolution must be received by the President of the Corporation prior to the commencement of the Meeting, or at the Meeting. The registered address of the Corporation for such purpose is 1900, 520 3rd Ave SW, Calgary, AB, T2P 0R3; Attention: Ravi Latour. The foregoing summary does not purport to provide a comprehensive statement of the procedures to be followed by a dissenting shareholder who seeks payment of the fair value of his or her Common Shares. **The complete dissent provisions of the ABCA are set forth in Appendix F to this Circular. The ABCA requires strict adherence to the procedures established therein and failure to do so may result in the loss of all dissenters' rights. Accordingly, each Shareholder who might desire to exercise the dissenters' rights should carefully consider and comply with the provisions of the section and consult such shareholder's legal advisor.**

The Board may elect not to proceed with the transactions contemplated in the Share Terms Amendment Resolution if any notices of dissent are received.

Approval of the Share Terms Amendment

The Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, a special resolution authorizing the Share Terms Amendment. To be effective, the Share Terms Amendment Resolution must be approved by the affirmative vote of not less than two-thirds (2/3) of the votes cast by the holders of Common Shares present in person or by proxy at the Meeting.

Approval of the Share Terms Amendment is a condition to the completion of the Transaction. Failure to approve the Share Terms Amendment Resolution could impede or prevent the completion of the Transaction. Shareholders are urged to vote in favour of this special resolution.

The text of the Share Terms Amendment Resolution is as follows:

"**BE IT RESOLVED** as a special resolution of the Shareholders that:

1. the Articles of the Corporation be amended as follows:

    (a) pursuant to Section 173(1)(e) of the Alberta *Business Corporations Act* (the "**ABCA**"), amend the rights, privileges, restrictions and conditions of the common shares in the capital of the Corporation to those of the common voting shares as set forth in the Articles of Amendment attached as Appendix E to the management information circular of the Corporation dated April 22, 2024 (the "**Circular**"); and

    (b) pursuant to Section 173(1)(d) of the ABCA, the creation of the variable voting shares, having such rights, privileges, restrictions and conditions as set forth in the Articles of Amendment attached at Appendix E of the Circular;

    (the "**Articles of Amendment**");

2. any one director or officer may amend the Articles of Amendment in order to satisfy the requirements of the *Canada Transportation Act* or requirements or requests of any regulatory authorities, including the TSX Venture Exchange, without requiring further approval of the shareholders of the Corporation; and

3. any one officer or director of the Corporation is authorized and directed to do and perform all things, including the execution of documents, which may be necessary or desirable to give effect to the foregoing resolution; and

4. notwithstanding that this special resolution has been duly passed by the Shareholders of the Corporation, the directors of the Corporation be, and they hereby are, authorized and empowered to revoke this special resolution at any time before it is acted on and to determine not to proceed with the Share Terms Amendment without further approval of the Shareholders of the Corporation."

The requisite regulatory approvals for the Share Terms Amendment, including the approvals of the Exchange, if required (or any other stock exchange on which the Common Shares are listed), may not be sought by the Corporation until after the Board decides to implement the Share Terms Amendment. There can be no assurance that the applicable regulatory approvals for the Share Terms Amendment will be obtained. The Share Terms Amendment Resolution authorizes the Board not to proceed with the Share Terms Amendment, without further approval of the Shareholders, before it is acted upon.

Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies IN FAVOUR of the Share Terms Amendment Resolution. The Board unanimously recommends that Shareholders vote for the Share Terms Amendment Resolution.

Other Business

Management is not aware of any other matters to come before the Meeting, other than those set out in the Notice of Meeting. **If any other matter properly comes before the Meeting, it is the intention of the management designees, if named as proxyholders, to vote the same in accordance with their best judgment on such matter.**

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, no informed person or proposed director of the Corporation and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or its subsidiaries.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of April 19, 2024, there is no indebtedness outstanding of any current or former director, executive officer or employee of the Corporation or any of its subsidiaries which is owing to the Corporation or any of its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Corporation, no proposed Original Board Nominee or Post-Transaction Nominee for election as a director of the Corporation and no associate of such persons:

(a) is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Corporation or any of its subsidiaries; or

(b) indebted to another entity, where such indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries,

in relation to a securities purchase program or other program.

INDICATION OF OFFICER AND DIRECTORS

All of the directors and executive officers of the Corporation have indicated that they intend to vote their Common Shares in favour of each of the above resolutions. In addition, unless authority to do so is indicated otherwise, the persons named in the enclosed form of proxy intend to vote the Common Shares represented by such proxies in favour of each of the above resolutions.

APPOINTMENT OF AUDITOR

Davidson & Company LLP is the auditor of the Corporation and has been the auditor of the Corporation since November 1, 2022.

MANAGEMENT CONTRACTS

Management functions of the Corporation are performed by the directors and executive officers of the Corporation, except for in the case with Danny Dalla-Longa, in his role as former Chief Executive Officer of the Corporation were performed by Danny D. Dalla-Longa Professional Corporation. See “External Management Contracts” and “Employment, Consulting and Management Contracts” above.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is on SEDAR+ at www.sedarplus.ca. Shareholders may also contact to FluroTech Ltd., Suite 601, 246 Stewart Green SW Calgary, AB T3H 3C8, or by email at info@flurotech.com.

Financial information for the Corporation’s last financial year is provided in its comparative financial statements and is also available on SEDAR+.

OTHER MATTERS

Management of the Corporation is not aware of any other matter to come before the Meeting other than as set forth in the Notice. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

APPENDIX A
Board Mandate

BOARD OF DIRECTORS MANDATE
(Adopted by the Board of Directors on June 15, 2018)

I. PURPOSE

The board of directors (the "**Board**") of FluroTech Ltd. (the "**Corporation**") has the responsibility for the overall stewardship of the conduct of the business of the Corporation and the activities of management, which is responsible for the day-to-day conduct of the business. The Board's fundamental objectives are to enhance and preserve long-term shareholder value, to ensure the Corporation meets its obligations on an ongoing basis and that the Corporation operates in a reliable and safe manner. In performing its functions, the Board should also consider the legitimate interests its other stakeholders such as employees, customers and communities may have in the Corporation. In overseeing the conduct of the business, the Board, through the Chairman of the Board, shall set the standards of conduct for the Corporation.

II. PROCEDURES AND ORGANIZATION

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility for managing its own affairs including selecting its Chair, nominating candidates for election to the Board, constituting committees of the Board and determining director compensation. Subject to the Articles and By-Laws of the Corporation, the *Alberta Business Corporations Act* (the "**Act**") and any other relevant legislation and regulations, the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board.

III. DUTIES AND RESPONSIBILITIES

The Board's principal duties and responsibilities fall into a number of categories which are outlined below.

A. Legal Requirements

1. The Board has the responsibility to ensure that legal requirements have been met and documents and records have been properly prepared, approved and maintained;

2. The Board has the statutory responsibility to:

    (a) manage the business and affairs of the Corporation;
    (b) act honestly and in good faith with a view to the best interests of the Corporation;
    (c) exercise the care, diligence and skill that reasonable, prudent people would exercise in comparable circumstances; and
    (d) act in accordance with its obligations contained in the Act and the regulations thereto, the Corporation's Articles and By-Laws, securities legislation of each province and territory of Canada, and other relevant legislation and regulations;

3. The Board has the statutory responsibility for considering the following matters as a full Board which in law may not be delegated to management or to a committee of the Board:

    (a) any submission to the shareholders of a question or matter requiring the approval of the shareholders;
    (b) the filling of a vacancy among the directors or in the office of auditor;

(c) the issuance of securities;
(d) the declaration of dividends;
(e) the purchase, redemption or any other form of acquisition of shares issued by the Corporation;
(f) the payment of a commission to any person in consideration of his/her purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares;
(g) the approval of management proxy circulars;
(h) the approval of any take-over bid circular or directors' circular;
(i) the approval of financial statements of the Corporation; and
(j) the adoption, amendment or repeal of By-Laws of the Corporation.

B. Independence

The Board has the responsibility to ensure that appropriate structures and procedures are in place to permit the Board to function independently of management.

C. Strategy Determination

The Board has the responsibility to ensure there are long-term goals and a strategic planning process in place for the Corporation and to participate with management directly or through its committees in developing and approving the mission of the business of the Corporation and the strategic plan by which it proposes to achieve its goals, which strategic plan takes into account, among other things, the opportunities and risks of the Corporation's business.

D. Managing Risk

The Board has the responsibility to understand the principal risks of the business in which the Corporation is engaged, to achieve a proper balance between risks incurred and the potential return to shareholders, and to ensure that there are systems in place which effectively monitor and manage those risks with a view to the long-term viability of the Corporation.

E. Division of Responsibilities

The Board has the responsibility to:

1. appoint and delegate responsibilities to committees where appropriate to do so; and
2. develop position descriptions for:
   (a) the Board
   (b) the Chairman of the Board;
   (c) the Chief Executive Officer ("**CEO**");
   (d) the Chief Financial Officer; and
   (e) any other officer the Board deems necessary to do so.

F. Appointment, Training and Monitoring Senior Management

The Board has the responsibility:

1. to appoint the CEO, to monitor and assess the CEO's performance, to determine the CEO's compensation, and to provide advice and counsel in the execution of the CEO's duties;
2. to approve the appointment and remuneration of all corporate officers, acting upon the advice of the CEO and the CGCN Committee;

3. to ensure that adequate provision has been made to train and develop management and for the orderly succession of management; and
4. to ensure that management is aware of the Board's expectations of management.

G. Policies, Procedures and Compliance

The Board has the responsibility:

1. to ensure that the Corporation operates at all times within applicable laws and regulations and to the highest ethical and moral standards;
2. to approve and monitor compliance with significant policies and procedures by which the Corporation is operated;
3. to ensure the Corporation sets high environmental standards in its operations and is in compliance with environmental laws and legislation; and
4. to ensure the Corporation has in place appropriate programs and policies for the health and safety of its employees in the workplace.

H. Reporting and Communication

The Board has the responsibility:

1. to ensure the Corporation has in place policies and programs to enable the Corporation to communicate effectively with its shareholders, other stakeholders and the public generally;
2. to ensure that the financial performance of the Corporation is adequately reported to shareholders, other security holders and regulators on a timely and regular basis;
3. to ensure that the financial results are reported fairly and in accordance with generally accepted accounting standards;
4. to ensure the timely reporting of any other developments that have a significant and material impact on the value of the Corporation;
5. to report annually to shareholders on its stewardship of the affairs of the Corporation for the preceding year; and
6. to develop appropriate measures for receiving shareholder feedback.

I. Monitoring and Acting

The Board has the responsibility:

1. to monitor the Corporation's progress towards it goals and objectives and to revise and alter its direction through management in response to changing circumstances;
2. to take action when performance falls short of its goals and objectives or when other special circumstances warrant;
3. to ensure that the Corporation has implemented adequate control and information systems which ensure the effective discharge of its responsibilities; and
4. to make regular assessments of the Board's effectiveness.

APPENDIX B
FluroTech Ltd.
Audit Committee Charter

I. MANDATE

The primary function of the audit committee (the "**Committee**") is to assist the Board of Directors (the "**Board**") of FluroTech Ltd. (the "**Corporation**") in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation's systems of internal controls regarding finance and accounting, and the Corporation's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Corporation's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

1. serve as an independent and objective party to monitor the Corporation's financial reporting and internal control system and review the Corporation's financial statements;
2. review and appraise the performance of the Corporation's external auditors; and
3. provide an open avenue of communication among the Corporation's auditors, financial and senior management and the Board.

II. COMPOSITION

The Committee shall be comprised of three directors as determined by the Board, the majority of whom shall be independent directors, pursuant to the policies of the TSX Venture Exchange.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of this Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial statements.

The members of the Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

III. MEETINGS

The Committee shall meet at least quarterly, or more frequently as circumstances dictate. Meetings may be by telephone conference call if this is deemed appropriate.

The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to the Committee members with copies to the Board, the Chief Financial Officer or such other officer acting in that capacity, and the external auditor.

IV. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

1. Review and update this Charter annually.

2. Review the Corporation's financial statements, management's discussion and analysis and any annual and interim earnings press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

1. Require the external auditors to report directly to the Committee.

2. Review annually the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation.

3. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Corporation and confirming their independence from the Corporation.

4. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

5. Take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors.

6. Recommend to the Board the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval and the compensation of the external auditors.

7. Review with management and the external auditors the terms of the external auditors' engagement letter.

8. At each meeting, consult with the external auditors if deemed necessary, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.

9. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.

10. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

11. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

    (i) the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent (5%) of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided,

    (ii) such services were not recognized by the Corporation at the time of the engagement to be non-audit services, and

(iii) such services are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Process

1. In consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external.

2. Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.

3. Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management.

4. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.

5. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

6. Review any significant disagreement among management and the external auditors regarding financial reporting.

7. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.

8. Review the certification process.

9. Establish procedures for:

   i. the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and

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

Other

1. Review disclosure of any related-party transactions.

V. AUTHORITY

The Committee may:

(a) engage independent outside counsel and other advisors as it determines necessary to carry out its duties;

(b) set and pay the compensation for any advisors employed by the Committee; and

(c) communicate directly with the internal and external auditors.

The Committee shall have unrestricted access to the Corporation's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.

APPENDIX C
FluroTech Option Plan

(See attached)

STOCK OPTION PLAN

STOCK OPTION PLAN - FLUROTECH

The Stock Option Plan provides that the board of directors of the Corporation (the "**Board**") may from time to time, in its discretion, and in accordance with the TSX Venture Exchange requirements, grant to directors, officers, employees and consultants to the Corporation, non-transferable options. The options shall have an expiry date not later than ten (10) years after the issuance of such option, subject to extension in certain circumstances where such date occurs in a blackout period. A maximum number of common shares of the Corporation ("**Common Shares**") equal to ten percent (10%) of the issued and outstanding Common Shares, from time to time, may be reserved for issuance under the Stock Option Plan provided that options may not be granted to any one individual to purchase in excess of five percent (5%) of the then outstanding Common Shares within a 12-month period (with additional restrictions in respect of options granted to consultants and persons retained to preform investor relations activities). Options issued pursuant to the Stock Option Plan shall have an exercise price determined by the Board, provided that the exercise price shall not be less than the price permitted by the TSX Venture Exchange.

Subject to the particular provisions of the Stock Option Plan, options granted under the Stock Option Plan are non-transferable and expire not later than ten (10) years from the date of grant or, subject to extension at the discretion of the Board, ninety (90) days from the date the optionee ceases (other than be reason of death) to be an officer, director, employee or consultant of the Corporation, whichever comes first, unless the optionee was engaged in investor relations activities, in which case such exercise must occur with thirty (30) days after the cessation of the optionee's services to the Corporation. In the event of death of an optionee, options held by the estate of such optionee shall expire not later than ten (10) years from the date of grant or one (1) year from the date of ceasing to be an officer, director, employee or consultant. No one Consultant or Investor Relations Service Provider may exceed 2% of the Issued Shares of the Issuer. Investor Relations Service Providers may not receive any Security Based Compensation other than Stock Options; if a provision is included that the Participant's heirs or administrators are entitled to any portion of the outstanding Security Based Compensation, the period in which they can make such claim must not exceed one year from the Participant's death; however they cannot make a claim. Disinterested Shareholder approval will be obtained for any reduction in the exercise price of a Stock Option, or the extension of the term of a Stock Option, if the Participant is an Insider of the Issuer at the time of the proposed amendment.

APPENDIX D
Resulting Issuer Option Plan

(See attached)

CONSOLIDATED AEROSPACE FINANCE CORPORATION

OMNIBUS EQUITY INCENTIVE PLAN

[●], 2024

TABLE OF CONTENTS

Page

ARTICLE 1 PURPOSE **1**

1.1 Purpose 1

ARTICLE 2 INTERPRETATION **1**

2.1 Definitions 1

2.2 Interpretation 9

ARTICLE 3 ADMINISTRATION **9**

3.1 Administration 9

3.2 Delegation to Committee 10

3.3 Determinations Binding 10

3.4 Eligibility 10

3.5 Plan Administrator Requirements 11

3.6 Total Shares Subject to Awards 11

3.7 Limits on Grants of Awards 11

3.8 Award Agreements 12

3.9 Non–transferability of Awards 13

ARTICLE 4 OPTIONS **13**

4.1 Granting of Options 13

4.2 Exercise Price 13

4.3 Term of Options 13

4.4 Vesting and Exercisability 13

4.5 Payment of Exercise Price 14

ARTICLE 5 RESTRICTED SHARE UNITS **14**

5.1 Granting of RSUs 14

5.2 RSU Account 15

5.3 Vesting of RSUs 15

5.4 Settlement of RSUs 15

ARTICLE 6 PERFORMANCE SHARE UNITS **16**

6.1 Granting of PSUs 16

6.2 Terms of PSUs 16

6.3 Performance Goals 16

6.4 PSU Account 16

6.5 Vesting of PSUs 16

6.6 Settlement of PSUs 17

ARTICLE 7 DEFERRED SHARE UNITS **17**

7.1 Granting of DSUs 17

TABLE OF CONTENTS
(Continued)

7.2 DSU Account ... 18
7.3 Vesting of DSUs ... 19
7.4 Settlement of DSUs ... 19
7.5 No Additional Amount or Benefit ... 19
ARTICLE 8 ... 19
SHARE APPRECIATION RIGHTS ... 19
8.1 Granting of SARs ... 19
8.2 SAR Award ... 20
8.3 SAR Term ... 20
8.4 Vesting, Exercisability and Payment ... 20
8.5 SAR Agreements ... 21
ARTICLE 9 ADDITIONAL AWARD TERMS ... 21
9.1 Dividend Equivalents ... 21
9.2 Black–out Period ... 21
9.3 Withholding Taxes ... 21
9.4 Recoupment ... 22
9.5 Hold Period ... 22
ARTICLE 10 TERMINATION OF EMPLOYMENT OR SERVICES ... 22
10.1 Termination of Employee, Consultant or Director ... 22
10.2 Discretion to Permit Acceleration ... 24
ARTICLE 11 EVENTS AFFECTING THE CORPORATION ... 25
11.1 General ... 25
11.2 Change in Control ... 25
11.3 Reorganization of Corporation’s Capital ... 26
11.4 Other Events Affecting the Corporation ... 26
11.5 Immediate Acceleration of Awards ... 26
11.6 Issue by Corporation of Additional Shares ... 27
11.7 Fractions ... 27
ARTICLE 12 U.S. TAXPAYERS ... 27
12.1 Provisions for U.S. Taxpayers ... 27
12.2 ISOs ... 27
12.3 ISO Grants to 10% Shareholders ... 27
12.4 $100,000 Per Year Limitation for ISOs ... 28
12.5 Disqualifying Dispositions ... 28
12.6 Section 409A of the Code ... 28
12.7 Section 83(b) Election ... 29
12.8 Application of Article 12 to U.S. Taxpayers ... 29

TABLE OF CONTENTS
(Continued)

ARTICLE 13 AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN 29
13.1 Amendment, Suspension, or Termination of the Plan 29
13.2 Shareholder Approval 29
13.3 Permitted Amendments 31
ARTICLE 14 MISCELLANEOUS 31
14.1 Legal Requirement 31
14.2 No Other Benefit 31
14.3 Rights of Participant 31
14.4 Corporate Action 32
14.5 Conflict 32
14.6 Anti–Hedging Policy 32
14.7 Participant Information 32
14.8 Participation in the Plan 32
14.9 International Participants 32
14.10 Successors and Assigns 32
14.11 General Restrictions or Assignment 33
14.12 Severability 33
14.13 Notices 33
14.14 Governing Law 33
14.15 Submission to Jurisdiction 33
SCHEDULE A CONSOLIDATED AEROSPACE FINANCE CORPORATION 34
SCHEDULE B CONSOLIDATED AEROSPACE FINANCE CORPORATION 35
SCHEDULE C CONSOLIDATED AEROSPACE FINANCE CORPORATION 36

OMNIBUS EQUITY INCENTIVE PLAN

ARTICLE 1
PURPOSE

1.1 Purpose

The purpose of this Plan, dated as of [●], 2024, is to provide the Corporation with a share–related mechanism to attract, retain and motivate qualified Directors, Employees and Consultants of the Corporation and its subsidiaries, if any, to reward such of those Directors, Employees and Consultants as may be granted Awards under this Plan by the Board from time to time for their contributions toward the long–term goals and success of the Corporation and to enable and encourage such Directors, Employees and Consultants to acquire Shares as long–term investments and proprietary interests in the Corporation.

ARTICLE 2
INTERPRETATION

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the indicated meanings, respectively:

(a) "**Affiliate**" means any entity that is an "**affiliate**" for the purposes of National Instrument 45–106 – *Prospectus Exemptions* of the Canadian Securities Administrators, as amended from time to time;

(b) "**Award**" means any Option, Restricted Share Unit, Performance Share Unit, Deferred Share Unit, or Share Appreciation Right granted under this Plan which may be denominated or settled in Shares, cash or in such other form as provided herein;

(c) "**Award Agreement**" means a signed, written agreement between a Participant and the Corporation, in the form or any one of the forms approved by the Plan Administrator, evidencing the terms and conditions on which an Award has been granted under this Plan and which need not be identical to any other such agreements and includes, for certainty, any SAR Agreement;

(d) "**Board**" means the board of directors of the Corporation as it may be constituted from time to time;

(e) "**Business Day**" means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Calgary are open for commercial business during normal banking hours;

(f) "**Canadian Taxpayer**" means a Participant that is resident of Canada for purposes of the *Tax Act*;

(g) "**Cash Fees**" has the meaning set forth in Subsection 7.1(a);

(h) "**Net Exercise**" has the meaning set forth in Subsection 4.5(b);

(i) "**Cause**" means, with respect to a particular Participant:

(i) "cause" (or any similar term) as such term is defined in the employment or other written agreement between the Corporation or a subsidiary of the Corporation and the Employee;

(ii) in the event there is no written or other applicable employment or other agreement between the Corporation or a subsidiary of the Corporation or "cause" (or any similar term) is not defined in such agreement, "cause" as such term is defined in the Award Agreement; or

(iii) in the event neither (i) nor (ii) apply, then "cause" as such term is defined by applicable law or, if not so defined, such term shall refer to circumstances where (A) an employer may terminate an individual's employment without notice or pay in lieu thereof or other damages, or (B) the Corporation or any subsidiary thereof may terminate the Participant's employment without notice or without pay in lieu thereof or other termination fee or damages, or (C) the Corporation or any subsidiary thereof may terminate the Participant's employment without providing the minimum entitlements to notice and, if applicable, severance pay under provincial employment standards legislation;

(j) "**Change in Control**" means the occurrence of any one or more of the following events:

(i) any transaction at any time and by whatever means pursuant to which any Person or any group of two (2) or more Persons acting jointly or in concert hereafter acquires the direct or indirect "beneficial ownership" (as defined in National Instrument 62-104 – *Take-over Bids and Issuer Bids*) of, or acquires the right to exercise Control or direction over, securities of the Corporation representing more than fifty percent (50%) of the then issued and outstanding voting securities of the Corporation, including, without limitation, as a result of a take–over bid, an exchange of securities, an amalgamation of the Corporation with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;

(ii) the sale, assignment or other transfer of all or substantially all of the consolidated assets of the Corporation to a Person other than a subsidiary of the Corporation;

(iii) the dissolution or liquidation of the Corporation, other than in connection with the distribution of assets of the Corporation to one (1) or more Persons which were Affiliates of the Corporation prior to such event;

(iv) the occurrence of a transaction requiring approval of the Corporation's shareholders whereby the Corporation is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any other Person (other than a short form amalgamation or exchange of securities with a subsidiary of the Corporation);

(v) individuals who comprise the Board as of the date hereof (the "**Incumbent Board**") for any reason cease to constitute at least a majority of the members of the Board, unless the election, or nomination for election by the Corporation's shareholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, and in that case such new director shall be considered as a member of the Incumbent Board; or

(vi) any other event which the Board determines to constitute a change in control of the Corporation,

provided that, notwithstanding clause (i), (ii), (iii) and (iv) above, a Change in Control shall be deemed not to have occurred if immediately following the transaction set forth in clause(i), (ii), (iii) or (iv) above: (A) the holders of securities of the Corporation that immediately prior to the consummation of such transaction represented more than fifty percent (50%) of the combined voting power of the then outstanding securities eligible to vote for the election of directors of the Corporation hold (x) securities of the entity resulting from such transaction (including, for greater certainty, the Person succeeding to assets of the Corporation in a transaction contemplated in clause (ii) above) (the "**Surviving Entity**") that represent more than fifty percent (50%) of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees ("**voting power**") of the Surviving Entity, or (y) if applicable, securities of the entity that directly or indirectly has beneficial ownership of one-hundred percent (100%) of the securities eligible to elect directors or trustees of the Surviving Entity (the "**Parent Entity**") that represent more than fifty percent (50%) of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees of the Parent Entity, and (B) no Person or group of two or more Persons, acting jointly or in concert, is the beneficial owner, directly or indirectly, of more than fifty percent (50%) of the voting power of the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) (any such transaction which satisfies all of the criteria specified in clauses (A) and (B) above being referred to as a "**Non–Qualifying Transaction**" and, following the Non–Qualifying Transaction, references in this definition of "**Change in Control**" to the "**Corporation**" shall mean and refer to the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) and, if such entity is a company or a trust, references to the "**Board**" shall mean and refer to the board of directors or trustees, as applicable, of such entity). Notwithstanding the foregoing, for purposes of any Award that constitutes "deferred compensation" (within the meaning of Section 409A of the Code), the payment of which is triggered by or would be accelerated upon a Change in Control, a transaction will not be deemed a Change in Control for Awards granted to any Participant who is a U.S. Taxpayer unless the transaction qualifies as "a change in control event" within the meaning of Section 409A of the Code;

(k) "**Code**" means the United States Internal Revenue Code of 1986, as amended from time to time. Any reference to a section of the Code shall be deemed to include a reference to any regulations promulgated thereunder;

(l) "**Committee**" has the meaning set forth in Section 3.2;

(m) "**Consultant**" means any individual, entity or other Person engaged by the Corporation or any subsidiary of the Corporation to render consulting or advisory services (including as a director or officer of any subsidiary of the Corporation), other than as an Employee or Director, and whether or not compensated for such services; provided, however, that at the time any Consultant receives any offer of Award or executes any Award Agreement, such Consultant must be a Person, and must agree to provide bona fide services to that Corporation that are not in connection with the offer or sale of securities in a capital–raising transaction, and do not directly or indirectly promote or maintain a market for the Corporation's securities;

(n) "**Control**" means the relationship whereby a Person is considered to be "controlled" by a Person if:

(i) when applied to the relationship between a Person and a corporation, the beneficial ownership by that Person, directly or indirectly, of voting securities or other interests in such corporation entitling the holder to exercise control and direction in fact over the activities of such corporation;

(ii) when applied to the relationship between a Person and a partnership, limited partnership, trust or joint venture, means the contractual right to direct the affairs of the partnership, limited partnership, trust or joint venture; and

(iii) when applied in relation to a trust, the beneficial ownership at the relevant time of more than fifty percent (50%) of the property settled under the trust, and

the words "**Controlled by**", "**Controlling**" and similar words have corresponding meanings; provided that a Person who controls a corporation, partnership, limited partnership or joint venture will be deemed to Control a corporation, partnership, limited partnership, trust or joint venture which is Controlled by such Person and so on;

(o) "**Corporation**" means Consolidated Aerospace Finance Corporation., or any successor entity thereof;

(p) "**Date of Grant**" means, for any Award, the date specified by the Plan Administrator at the time it grants the Award or if no such date is specified, the date upon which the Award was granted;

(q) "**Deferred Share Unit**" or "**DSU**" means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 7;

(r) "**Director**" means a director of the Corporation who is not an Employee;

(s) "**Director Fees**" means the total compensation (including annual retainer and meeting fees, if any) paid by the Corporation to a director of the Corporation in a calendar year for service on the Board;

(t) "**Disabled**" or "**Disability**" means, with respect to a particular Participant:

(i) "disabled" or "disability" (or any similar terms) as such terms are defined in the employment or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant;

(ii) in the event there is no written or other applicable employment or other agreement between the Corporation or a subsidiary of the Corporation, or "disabled" or "disability" (or any similar terms) are not defined in such agreement, "disabled" or "disability" as such term are defined in the Award Agreement; or

(iii) in the event neither (i) or (ii) apply, then the incapacity or inability of the Participant, by reason of mental or physical incapacity, disability, illness or disease (as determined by a legally qualified medical practitioner or by a court) that prevents the Participant from carrying out his or her normal and essential duties as an Employee, Director or Consultant for a continuous period of six months or for any cumulative period of 180 days in any consecutive twelve month period, the foregoing subject to and as determined in accordance with procedures established by the Plan Administrator for purposes of this Plan;

(u) "**Discounted Market Price**" has the meaning given to such term in Exchange Policy 1.1, as amended, supplemented or replaced from time to time;

(v) "**Effective Date**" means the effective date of this Plan, being [●], 2024, subject to the approval of the shareholders of the Corporation;

(w) “**Elected Amount**” has the meaning set forth in Subsection 7.1(a);

(x) “**Electing Person**” means a Participant who is, on the applicable Election Date, a Director or an Employee;

(y) “**Election Date**” means the date on which the Electing Person files an Election Notice in accordance with Subsection 7.1(b);

(z) “**Election Notice**” has the meaning set forth in Subsection 7.1(b);

(aa) “**Employee**” means an individual who:

(i) is considered an employee of the Corporation or a subsidiary of the Corporation for purposes of source deductions under applicable tax or social welfare legislation; or

(ii) works full–time or part–time on a regular weekly basis for the Corporation or a subsidiary of the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or a subsidiary of the Corporation over the details and methods of work as an employee of the Corporation or such subsidiary.

(bb) “**Exchange**” means the TSX Venture Exchange, or the primary exchange on which the Shares are then listed, as determined by the Plan Administrator, if the TSX Venture Exchange is no longer the Corporation’s primary exchange, or if the Shares are no longer listed on the TSX Venture Exchange;

(cc) “**Exchange Policy**” means the Exchange Corporate Finance Policies;

(dd) “**Exercise Notice**” means a notice in writing, signed by a Participant and stating the Participant’s intention to exercise a particular Option;

(ee) “**Exercise Price**” means the price at which an Option Share may be purchased pursuant to the exercise of an Option;

(ff) “**Expiry Date**” means the expiry date specified in the Award Agreement (which shall not be later than the tenth anniversary of the Date of Grant) or, if not so specified, means the tenth anniversary of the Date of Grant;

(gg) “**In-the-Money Amount**” has the meaning given to it in Subsection 4.5(b);

(hh) “**Insider**” means an “**insider**” as defined in the rules of the Exchange from time to time;

(ii) “**Investor Relations Activities**” has the meaning given to it in Exchange Policy 1.1 – *Definitions,* as amended, supplemented or replaced from time to time;

(jj) “**Investor Relations Service Provider**” includes any Consultant that performs Investor Relations Activities and any Director or Employee whose role and duties primarily consist of Investor Relations Activities;

(kk) “**Market Price**” at any date in respect of the Shares shall be the volume weighted average trading price of Shares on the Exchange for the five trading days immediately preceding the Date of Grant; provided that, for so long as the Shares are listed and posted for trading on the Exchange, the Market Price shall not be less than the market price, as calculated under the

policies of the Exchange; and provided, further, that with respect to an Award made to a U.S. Taxpayer such Participant, the class of Shares and the number of Shares subject to such Award shall be identified by the Board or the Committee prior to the start of the applicable five trading day period. In the event that such Shares are not listed and posted for trading on any Exchange, the Market Price shall be the fair market value of such Shares as determined by the Board in its sole discretion and, with respect to an Award made to a U.S. Taxpayer, in accordance with Section 409A of the Code;

(ll) "**Option**" means a right to purchase Shares under Article 4 of this Plan that is non–assignable and non–transferable, unless otherwise approved by the Plan Administrator;

(mm) "**Option Shares**" means Shares issuable by the Corporation upon the exercise of outstanding Options;

(nn) "**Participant**" means a Director, Employee or Consultant to whom an Award has been granted under this Plan;

(oo) "**Performance Goals**" means performance goals expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Corporation, a subsidiary of the Corporation, a division of the Corporation or a subsidiary of the Corporation, or an individual, or may be applied to the performance of the Corporation or a subsidiary of the Corporation relative to a market index, a group of other companies or a combination thereof, or on any other basis, all as determined by the Plan Administrator in its discretion;

(pp) "**Performance Share Unit**" or "**PSU**" means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 6;

(qq) "**Person**" means an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;

(rr) "**Plan**" means this Omnibus Equity Incentive Plan, as may be amended from time to time;

(ss) "**Plan Administrator**" means the Board, or if the administration of this Plan has been delegated by the Board to the Committee or sub-delegated to a member of the Committee or officer of the Corporation pursuant to Section 3.2, the Committee or sub-delegate, as the case may be;

(tt) "**PSU Service Year**" has the meaning given to it in Section 6.1;

(uu) "**Restricted Share Unit**" or "**RSU**" means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 5;

(vv) "**Retirement**" means, unless otherwise defined in the Participant's written or other applicable employment agreement or in the Award Agreement, the termination of the Participant's working career at such retirement age to which the Plan Administrator has consented, other than on account of the Participant's termination of service by the Corporation or its subsidiary for Cause and provided that for U.S. Taxpayers such Retirement also constitutes a Separation from Service within the meaning of Section 409A of the Code;

(ww) "**RSU Service Year**" has the meaning given to it in Section 5.1;

(xx) "**Section 409A of the Code**" or "**Section 409A**" means Section 409A of the Code and all regulations, guidance, compliance programs, and other interpretive authority issued thereunder;

(yy) "**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 govern or are applicable to the Corporation or to which it is subject;

(zz) "**Security Based Compensation Arrangement**" means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to Directors, officers, Employees and/or service providers of the Corporation or any subsidiary of the Corporation, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;

(aaa) "**Separation from Service**" means a separation from service within the meaning of Section 409A of the Code;

(bbb) "**Share**" means one (1) common share in the capital of the Corporation as constituted on the Effective Date or any share or shares issued in replacement of such common share in compliance with Canadian law or other applicable law, and/or one share of any additional class of common shares in the capital of the Corporation as may exist from time to time, or after an adjustment contemplated by Article 12, such other shares or securities to which the holder of an Award may be entitled as a result of such adjustment;

(ccc) "**Share Appreciation Right**" or "**SAR**" means a right to receive a payment in the form of Shares, cash or a combination thereof as provided in Article 8 hereof, equal to the appreciation in the Corporation's Shares over a specified period, as set forth in the respective SAR Agreement;

(ddd) "**SAR Agreement**" means a written letter agreement between the Corporation and a Participant evidencing the grant of SARs and the terms and conditions thereof;

(eee) "**SAR Exercise Notice**" means a notice in writing, signed by a Participant and stating the Participant's intention to exercise a particular SAR;

(a) "**SAR Term**" has the meaning ascribed thereto in 8.3 hereof;

(b) "**subsidiary**" means an issuer that is Controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary, or any other entity in which the Corporation has an equity interest and is designated by the Plan Administrator, from time to time, for purposes of this Plan to be a subsidiary;

(c) "**Tax Act**" has the meaning set forth in Section 4.5(d);

(d) "**Termination Date**" means, subject to applicable law which cannot be waived:

(i) in the case of an Employee whose employment with the Corporation or a subsidiary of the Corporation terminates, (i) the date designated by the Employee and the Corporation or a subsidiary of the Corporation as the "Termination Date" (or similar term) in a written employment or other agreement between the Employee and Corporation or a subsidiary of the Corporation, or (ii) if no such written employment or other agreement exists, the date designated by the Corporation or a subsidiary of the Corporation, as the case may be, on which the Employee ceases to be an employee of

the Corporation or the subsidiary of the Corporation, as the case may be, provided that, in the case of termination of employment by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given; and in any event, the "Termination Date" shall be determined without including any period of reasonable notice that the Corporation or the subsidiary of the Corporation (as the case may be) may be required by law to provide to the Participant or any pay in lieu of notice of termination, severance pay or other damages paid or payable to the Participant;

(ii) in the case of a Consultant whose agreement or arrangement with the Corporation or a subsidiary of the Corporation terminates, (i) the date designated by the Corporation or the subsidiary of the Corporation, as the "Termination Date" (or similar term) or expiry date in a written agreement between the Consultant and Corporation or a subsidiary of the Corporation, or (ii) if no such written agreement exists, the date designated by the Corporation or a subsidiary of the Corporation, as the case may be, on which the Consultant ceases to be a Consultant or a service provider to the Corporation or the subsidiary of the Corporation, as the case may be, or on which the Participant's agreement or arrangement is terminated, provided that in the case of voluntary termination by the Participant of the Participant's consulting agreement or other written arrangement, such date shall not be earlier than the date notice of voluntary termination was given; in any event, the "Termination Date" shall be determined without including any period of notice that the Corporation or the subsidiary of the Corporation (as the case may be) may be required by law to provide to the Participant or any pay in lieu of notice of termination, termination fees or other damages paid or payable to the Participant; and

(iii) in the case of a Director, the date such individual ceases to be a Director, in each case, unless the individual continues to be a Participant in another capacity.

Notwithstanding the foregoing, in the case of a U.S. Taxpayer, a Participant's "Termination Date" will be the date the Participant experiences a Separation from Service;

(e) "**TSXV Market Price**" means the closing price of the Shares on the Exchange on the last trading day preceding the date on which the grant of Options is approved by the Board, or if the Shares of the Corporation are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith;

(f) "**U.S.**" or "**United States**" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;

(g) "**U.S. Person**" shall mean a "**U.S. person**" as such term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act (the definition of which includes, but is not limited to, (i) any natural person resident in the United States, (ii) any partnership or corporation organized or incorporated under the laws of the United States, (iii) any partnership or corporation organized outside of the United States by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organized, or incorporated, and owned, by accredited investors who are not natural persons, estates or trusts, and (iv) any estate or trust of which any executor or administrator or trustee is a U.S. Person);

(h) "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended; and

(i) "**U.S. Taxpayer**" shall mean a Participant who, with respect to an Award, is subject to taxation under applicable U.S. tax laws.

2.2 Interpretation

(a) Whenever the Plan Administrator exercises discretion in the administration of this Plan, the term "discretion" means the sole and absolute discretion of the Plan Administrator.

(b) As used herein, the terms "Article", "Section", "Subsection" and "clause" mean and refer to the specified Article, Section, Subsection and clause of this Plan, respectively.

(c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.

(d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.

(e) Unless otherwise specified, all references to money amounts are to Canadian currency.

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

ARTICLE 3
ADMINISTRATION

3.1 Administration

This Plan will be administered by the Plan Administrator and the Plan Administrator has sole and complete authority, in its discretion, to:

(a) determine the individuals to whom grants under the Plan may be made (including ensuring and confirming that all persons receiving grants are *bona fide* Employees, Directors or Consultants, as applicable);

(b) make grants of Awards under the Plan relating to the issuance of Shares (including any combination of Options, Restricted Share Units, Performance Share Units, Deferred Share Units or Share Appreciation Rights) in such amounts, to such Persons and, subject to the provisions of this Plan, on such terms and conditions as it determines including without limitation:

(i) the time or times at which Awards may be granted;

(ii) the conditions under which:

(A) Awards may be granted to Participants; or

(B) Awards may be forfeited to the Corporation, including any conditions relating to the attainment of specified Performance Goals;

(iii) the number of Shares to be covered by any Award;

(iv) the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Awards;

(v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Award, and the nature of such restrictions or limitations, if any; and

(vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine;

(c) establish the form or forms of Award Agreements;

(d) cancel, amend, adjust or otherwise change any Award under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of this Plan;

(e) construe and interpret this Plan and all Award Agreements;

(f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan, including rules and regulations relating to sub–plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws; and

(g) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

3.2 Delegation to Committee

(a) The initial Plan Administrator shall be the Board.

(b) To the extent permitted by applicable law, the Board may, from time to time, delegate to a committee of the Board (the "**Committee**") all or any of the powers conferred on the Plan Administrator pursuant to this Plan, including the power to sub–delegate to any member(s) of the Committee or any specified officer(s) of the Corporation or its subsidiaries all or any of the powers delegated by the Board. In such event, the Committee or any sub–delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party. Any decision made or action taken by the Committee or any sub–delegate arising out of or in connection with the administration or interpretation of this Plan in this context is final and conclusive and binding on the Corporation and all subsidiaries of the Corporation, all Participants and all other Persons.

3.3 Determinations Binding

Any decision made or action taken by the Board, the Committee or any sub–delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration or interpretation of this Plan is final, conclusive and binding on the Corporation, the affected Participant(s), their legal and personal representatives and all other Persons.

3.4 Eligibility

All Directors, Employees and Consultants are eligible to participate in the Plan, subject to Section 10.1(f). Participation in the Plan is voluntary and eligibility to participate does not confer upon any Director, Employee or Consultant any right to receive any grant of an Award pursuant to the Plan. The extent to which any Director, Employee or Consultant is entitled to receive a grant of an Award pursuant to the Plan will be determined in the sole and absolute discretion of the Plan Administrator.

3.5 Plan Administrator Requirements

Any Award granted under this Plan shall be subject to the requirement that, if at any time the Plan Administrator shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Award upon any securities exchange or under any Securities Laws of any jurisdiction, or the consent or approval of the Exchange and any securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation is necessary as a condition of, or in connection with, the grant or exercise of such Award or the issuance or purchase of Shares thereunder, such Award may not be accepted or exercised, as applicable, in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Plan Administrator. Without limiting the generality of the foregoing, all Awards shall be issued pursuant to the registration requirements of the U.S. Securities Act, or pursuant an exemption or exclusion from such registration requirements. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Corporation in complying with such legislation, rules, regulations and policies.

3.6 Total Shares Subject to Awards

(a) Subject to adjustment as provided for in Article 11 and any subsequent amendment to this Plan, the aggregate number of Shares reserved for issuance pursuant to Awards granted under this Plan and under any other Security Based Compensation Arrangement shall not exceed:

(i) with respect to Shares reserved for issuance pursuant to Restricted Share Units, Performance Share Units or Deferred Share Units, ten percent (10%) of the Corporation's total issued and outstanding Shares as of the Effective Date; and

(ii) with respect to Shares reserved for issuance pursuant to Options, ten percent (10%) of the Corporation's total issued and outstanding Shares as at the time of the applicable Option grant,

or such other number as may be approved by the Exchange and the shareholders of the Corporation from time to time, provided that the shareholder approval referred to herein must be obtained on a "disinterested" basis in compliance with the applicable policies of the Exchange. This Plan is not considered an "evergreen" plan, and the Shares covered by Awards which have been exercised shall not be available for subsequent grants under the Plan.

(b) To the extent any Awards (or portion(s) thereof) under this Plan terminate or are cancelled for any reason prior to exercise in full, or are surrendered or settled by the Participant, any Shares subject to such Awards (or portion(s) thereof) shall be added back to the number of Shares reserved for issuance under this Plan and will again become available for issuance pursuant to the exercise of Awards granted under this Plan.

(c) Any Shares issued by the Corporation through the assumption or substitution of outstanding stock options or other equity–based awards from an acquired company shall not reduce the number of Shares available for issuance pursuant to the exercise of Awards granted under this Plan.

3.7 Limits on Grants of Awards

Notwithstanding anything in this Plan, the maximum aggregate number of Shares:

(a) issuable to Insiders at any time, under all of the Corporation's Security–Based Compensation Arrangements, shall not exceed ten percent (10%) of the Corporation's issued and outstanding Shares at any point in time (unless the Corporation receives Shareholder approval on a

"disinterested" basis in compliance with the applicable policies of the Exchange), provided that the acquisition of Shares by the Corporation for cancellation shall be disregarded for the purposes of determining non–compliance with this Section 3.7 for any Awards outstanding prior to such purchase of Shares for cancellation;

(b) issued to Insiders within any one (1) year period, under all of the Corporation's Security Based Compensation Arrangements, shall not exceed ten percent (10%) of the Corporation's issued and outstanding Shares calculated as at the date any Award is granted or issued to any Insider (unless the Corporation receives Shareholder approval on a "disinterested" basis in compliance with the applicable policies of the Exchange), provided that the acquisition of Shares by the Corporation for cancellation shall be disregarded for the purposes of determining non–compliance with this Section 3.7 for any Awards outstanding prior to such purchase of Shares for cancellation;

(c) which may be reserved for issuance to any one Participant under the Plan together with all of the Corporation's other previously established or proposed Security Based Compensation Arrangements shall not exceed five percent (5%) of the issued and outstanding Shares on the grant date or within any 12-month period (in each case on a non-diluted basis), unless the Corporation receives Shareholder approval on a "disinterested" basis in compliance with the applicable policies of the Exchange;

(d) issued to any one Consultant within any one (1) year period, under all of the Corporation's Security Based Compensation Arrangements, shall not exceed two percent (2%) of the Corporation's issued and outstanding Shares calculated as at the date any Award is granted or issued to the Consultant;

(e) issued or issuable to all Investor Relations Service Providers within any one (1) year period, pursuant to any Options issued under the Corporation's Security Based Compensation Arrangements, shall not exceed two percent (2%) of the Corporation's issued and outstanding Shares calculated as at the date any Award is granted or issued to any such Investor Relations Service Provider (and including any Participant that performs Investor Relations Activities and/or whose sole role or duties primarily consist of Investor Relations Activities), it being understood that Investor Relations Service Providers may not receive any Awards other than Options for the provision of Investor Relations Activities;

(f) Options granted to any person retained to provide Investor Relations Activities must vest in a period of not less than 12 months from the date of grant of the Award and with no more than twenty five percent (25%) of the Options vesting in any three month period, notwithstanding any other provision of this Plan; and

(g) Awards, other than Options, must vest in a period of not less than 12 months from the date of grant of the Award.

3.8 Award Agreements

Each Award under this Plan will be evidenced by an Award Agreement. Each Award Agreement will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Plan Administrator may direct. Any one officer of the Corporation is authorized and empowered to execute and deliver, for and on behalf of the Corporation, an Award Agreement to a Participant granted an Award pursuant to this Plan.

3.9 Non–transferability of Awards

Except as permitted by the Plan Administrator and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect. To the extent that certain rights to exercise any portion of an outstanding Award pass to a beneficiary or legal representative upon death of a Participant, the period in which such Award can be exercised by such beneficiary or legal representative shall not exceed one (1) year from the Participant's death.

ARTICLE 4
OPTIONS

4.1 Granting of Options

(a) The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Options to any Participant. The terms and conditions of each Option grant shall be evidenced by an Award Agreement.

(b) Notwithstanding any other provision of this Plan, at all times where the Shares are listed on the Exchange, the Corporation shall maintain timely disclosure and file appropriate documentation in connection with Option grants made under this Plan in accordance with Exchange Policy 4.4 – *Security Based Compensation*.

4.2 Exercise Price

The Plan Administrator will establish the Exercise Price at the time each Option is granted, which Exercise Price must in all cases be not less than the TSXV Market Price (taking into account the Discounted Market Price), on the Date of Grant.

4.3 Term of Options

Subject to any accelerated termination as set forth in this Plan, each Option expires on its Expiry Date, provided that, unless approval has been obtained pursuant to Section 13.2(b)(vi), no Option shall have an Expiry Date that exceeds ten (10) years from the date of grant.

4.4 Vesting and Exercisability

(a) The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of Options, provided that so long as the Shares are listed on the Exchange, such vesting terms are in compliance with Exchange Policy 4.4 – *Security Based Compensation*.

(b) Once an Option becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as may be otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant. Each vested Option may be exercised at any time or from time to time, in whole or in part, for up to the total number of Option Shares with respect to which it is then exercisable. The Plan Administrator has the right to accelerate the date upon which any Option becomes exercisable.

(c) Subject to the provisions of this Plan and any Award Agreement, Options shall be exercised by means of a fully completed Exercise Notice delivered to the Corporation.

(d) The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in this Section 4.4, such as vesting conditions relating to the attainment of specified Performance Goals.

4.5 Payment of Exercise Price

(a) Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular Award Agreement, the Exercise Notice must be accompanied by payment of the Exercise Price. The Exercise Price must be fully paid by certified cheque, wire transfer, bank draft or money order payable to the Corporation or by such other means as might be specified from time to time by the Plan Administrator, which may include (i) through an arrangement with a broker approved by the Corporation (or through an arrangement directly with the Corporation) whereby payment of the Exercise Price is accomplished with the proceeds of the sale of Shares deliverable upon the exercise of the Option, or (ii) such other consideration and method of payment for the issuance of Shares to the extent permitted by Securities Laws, or any combination of the foregoing methods of payment.

(b) Unless otherwise specified by the Plan Administrator and set forth in the particular Award Agreement, a Participant (other than an Investor Relations Service Provider) may, but only if permitted by the Plan Administrator and completed in accordance with Exchange Policy 4.4 – *Security Based Compensation*, in lieu of exercising an Option pursuant to an Exercise Notice, elect to surrender such Option to the Corporation (a "**Net Exercise**") in consideration for the number of Shares that is equal to the quotient obtained by dividing (i) the product of the number of Options being exercised multiplied by the difference between the Market Price of the Shares and the exercise of the subject Options; by (ii) the Market Price of the subject Shares underlying the applicable Options (the "**In-the-Money Amount**"), by written notice to the Corporation indicating the number of Options such Participant wishes to exercise using the Net Exercise, and such other information that the Corporation may require. Subject to Section 9.3, the Corporation shall satisfy payment of the In-the-Money Amount by delivering to the eligible Participant such number of Shares (rounded down to the nearest whole number) having a fair market value equal to the In-the-Money Amount.

(c) No Shares will be issued or transferred until full payment therefor has been received by the Corporation, or arrangements for such payment have been made to the satisfaction of the Plan Administrator.

(d) If a Participant surrenders Options through a Net Exercise pursuant to Section 4.5(b), to the extent that such Participant would be entitled to a deduction under paragraph 110(1)(d) of the *Income Tax Act* (Canada) (the "**Tax Act**") in respect of such surrender if the election described in subsection 110(1.1) of the Tax Act were made and filed (and the other procedures described therein were undertaken) on a timely basis after such surrender, the Corporation will cause such election to be so made and filed (and such other procedures to be so undertaken).

ARTICLE 5
RESTRICTED SHARE UNITS

5.1 Granting of RSUs

(a) The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any

Participant in respect of a bonus or similar payment in respect of services rendered by the applicable Participant in a taxation year (the "**RSU Service Year**"). The terms and conditions of each RSU grant may be evidenced by an Award Agreement. Each RSU will consist of a right to receive a Share, or at the election of a Participant, but subject to the approval of the Plan Administrator, a cash payment or a combination of Shares and cash (as provided in Section 5.4(a)), upon the settlement of such RSU.

(b) The number of RSUs (including fractional RSUs) granted at any particular time pursuant to this Article 5 will be calculated by dividing (i) the amount of any bonus or similar payment that is to be paid in RSUs, as determined by the Plan Administrator, by (ii) the greater of (A) the Market Price of a Share on the Date of Grant; and (B) such amount as determined by the Plan Administrator in its sole discretion.

(c) Notwithstanding any other provision of this Plan, no person retained to provide Investor Relations Activities shall receive any grant of RSUs in compliance with Exchange Policy 4.4 – *Security Based Compensation*.

5.2 RSU Account

All RSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant.

5.3 Vesting of RSUs

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of RSUs, provided that: (i) the terms comply with Section 409A, with respect to a U.S. Taxpayer; and (ii) the RSUs do not vest before the date that is one (1) year following the date such RSU is granted or issued.

5.4 Settlement of RSUs

(a) The Plan Administrator shall have the sole authority to determine any other settlement terms applicable to the grant of RSUs, provided that with respect to a U.S. Taxpayer the terms comply with Section 409A to the extent it is applicable. Subject to Section 12.6(d) below and except as otherwise provided in an Award Agreement, on the settlement date for any RSU, the Participant shall redeem each vested RSU for one fully paid and non-assessable Share issued from treasury to the Participant, or the following at the election of the Participant but subject to the approval of the Plan Administrator:

(i) a cash payment, or

(ii) a combination of fully paid and non-assessable Shares issued from treasury to the Participant and a cash payment.

(b) Any cash payments made under this Section 5.4 by the Corporation to a Participant in respect of RSUs to be redeemed for cash shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Price per Share as at the settlement date.

(c) Payment of cash to Participants on the redemption of vested RSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.

ARTICLE 6
PERFORMANCE SHARE UNITS

6.1 Granting of PSUs

(a) The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any Participant in respect of a bonus or similar payment in respect of services rendered by the applicable Participant in a taxation year (the "**PSU Service Year**"). The terms and conditions of each PSU grant shall be evidenced by an Award Agreement, provided that with respect to a U.S. Taxpayer the terms comply with Section 409A to the extent it is applicable. Each PSU will consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 6.6(a)), upon the achievement of such Performance Goals during such performance periods as the Plan Administrator shall establish.

(b) Notwithstanding any other provision of this Plan, no person retained to provide Investor Relations Activities shall receive any grant of PSUs in compliance with Exchange Policy 4.4 – *Security Based Compensation*.

6.2 Terms of PSUs

The Performance Goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the effect of termination of a Participant's service and the amount of any payment or transfer to be made pursuant to any PSU will be determined by the Plan Administrator and by the other terms and conditions of any PSU, all as set forth in the applicable Award Agreement.

6.3 Performance Goals

The Plan Administrator will issue Performance Goals prior to the Date of Grant to which such Performance Goals pertain. The Performance Goals may be based upon the achievement of corporate, divisional or individual goals, and may be applied to performance relative to an index or comparator group, or on any other basis determined by the Plan Administrator. Following the Date of Grant, the Plan Administrator may modify the Performance Goals as necessary to align them with the Corporation's corporate objectives, subject to any limitations set forth in an Award Agreement or an employment or other agreement with a Participant. The Performance Goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur), and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur), all as set forth in the applicable Award Agreement.

6.4 PSU Account

All PSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant.

6.5 Vesting of PSUs

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of PSUs, provided that: (i) the terms comply with Section 409A, with respect to a U.S. Taxpayer; and (ii) the PSUs do not vest before the date that is one (1) year following the date such PSU is granted or issued.

6.6 Settlement of PSUs

(a) The Plan Administrator shall have the sole authority to determine the settlement terms applicable to the grant of PSUs provided that with respect to a U.S. Taxpayer the terms comply with Section 409A to the extent it is applicable. Subject to Section 12.6(d) below and except as otherwise provided in an Award Agreement, on the settlement date for any PSU, the Participant shall redeem each vested PSU for the following at the election of the Participant but subject to the approval of the Plan Administrator:

(i) one fully paid and non–assessable Share issued from treasury to the Participant or as the Participant may direct,

(ii) a cash payment, or

(iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above.

(b) Any cash payments made under this Section 6.6 by the Corporation to a Participant in respect of PSUs to be redeemed for cash shall be calculated by multiplying the number of PSUs to be redeemed for cash by the Market Price per Share as at the settlement date.

(c) Payment of cash to Participants on the redemption of vested PSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.

(d) Notwithstanding any other terms of this Plan but, in the case of a U.S. Taxpayer, subject to Section 12.6(d) below and except, in the case of a U.S. Taxpayer, as otherwise provided in an Award Agreement, no settlement date for any PSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any PSU, under this Section 6.6 any later than the final Business Day of the third calendar year following the applicable PSU Service Year.

ARTICLE 7
DEFERRED SHARE UNITS

7.1 Granting of DSUs

(a) The Board may fix from time to time a portion of the Director Fees that is to be payable in the form of DSUs. In addition, each Electing Person is given, subject to the conditions stated herein, the right to elect in accordance with Section 7.1(b) to participate in the grant of additional DSUs pursuant to this Article 7. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this Article 7 shall receive their Elected Amount (as that term is defined below) in the form of DSUs. The "**Elected Amount**" shall be an amount, as elected by the Director, in accordance with applicable tax law, between zero percent (0%) and one hundred percent (100%) of any Director Fees that would otherwise be paid in cash (the "**Cash Fees**").

(b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs will be required to file a notice of election in the form of Schedule A hereto (the "**Election Notice**") with the Chief Financial Officer of the Corporation: (i) in the case of an existing Electing Person, by December 31st in the year prior to the year to which such election is to apply (other than for Director Fees payable for the 2024 financial year, in which case any Electing Person who is not a U.S. Taxpayer as of the date of this Plan shall file the Election Notice by the date that is 30 days from the Effective Date with respect to compensation paid for services to be performed after such date); and (ii) in the case of a newly appointed Electing Person who is not a U.S. Taxpayer, within 30 days of such appointment with respect to compensation paid for services to be performed after such date. In the case of the first year in which an Electing Person

who is a U.S. Taxpayer first becomes an Electing Person under the Plan (or any plan required to be aggregated with the Plan under Section 409A), an initial Election Notice may be filed within 30 days of such appointment only with respect to compensation paid for services to be performed after the end of the 30–day election period. If no election is made within the foregoing time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.

(c) Subject to Subsection 7.1(d), the election of an Electing Person under Subsection 7.1(b) shall be deemed to apply to all Cash Fees paid subsequent to the filing of the Election Notice. In the case of an Electing Person who is a U.S. Taxpayer, his or her election under Section 7.1(b) shall be deemed to apply to all Cash Fees that are earned after the Election Date. An Electing Person is not required to file another Election Notice for subsequent calendar years.

(d) Each Electing Person who is not a U.S. Taxpayer is entitled once per calendar year to terminate his or her election to receive DSUs by filing with the Chief Financial Officer of the Corporation a termination notice in the form of Schedule B hereto. Such termination shall be effective immediately upon receipt of such notice, provided that the Corporation has not imposed a "black–out" on trading. Thereafter, any portion of such Electing Person's Cash Fees payable or paid in the same calendar year and, subject to complying with Subsection 7.1(b), all subsequent calendar years shall be paid in cash. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this Article 7, he or she shall not be entitled to elect to receive the Elected Amount, or any other amount of his or her Cash Fees in DSUs again until the calendar year following the year in which the termination notice is delivered. An election by a U.S. Taxpayer to receive the Elected Amount in DSUs for any calendar year (or portion thereof) is irrevocable for that calendar year after the expiration of the election period for that year and any termination of the election will not take effect until the first day of the calendar year following the calendar year in which the termination notice in the form of Schedule A is delivered.

(e) Any DSUs granted pursuant to this Article 7 prior to the delivery of a termination notice pursuant to Section 7.1(d) shall remain in the Plan following such termination and will be redeemable only in accordance with the terms of the Plan.

(f) The number of DSUs (including fractional DSUs) granted at any particular time pursuant to this Article 7 will be calculated by dividing (i) the amount of Director Fees that are to be paid as DSUs, as determined by the Plan Administrator or Director Fees that are to be paid in DSUs (including any Elected Amount), by (ii) the Market Price of a Share on the Date of Grant.

(g) In addition to the foregoing, the Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant DSUs to any Participant.

(h) Notwithstanding any other provision of this Plan, no person retained to provide Investor Relations Activities shall receive any grant of DSUs in compliance with Exchange Policy 4.4 – *Security Based Compensation*.

7.2 DSU Account

All DSUs received by a Participant (which, for greater certainty includes Electing Persons) shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant. The terms and conditions of each DSU grant shall be evidenced by an Award Agreement.

7.3 Vesting of DSUs

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of DSUs, provided that: (i) the terms comply with Section 409A, with respect to a U.S. Taxpayer; and (ii) the DSUs do not vest before the date that is one (1) year following the date such PSU is granted or issued.

7.4 Settlement of DSUs

(a) DSUs shall be settled on the date established in the Award Agreement; provided, however that if there is no Award Agreement or the Award Agreement does not establish a date for the settlement of the DSUs, then, for a Participant who is not a U.S. Taxpayer the settlement date shall be the date determined by the Participant (which date shall not be earlier than the Termination Date or later than the end of the first calendar year commencing after the Termination Date), and for a Participant who is a U.S. taxpayer, the settlement date shall be the date determined by the Participant in accordance with the Election Notice (which date shall not be earlier than the "**separation from service**" (within the meaning of Section 409A) or later than the end of the first calendar year commencing after the Termination Date). On the settlement date for any DSU, the Participant shall redeem each vested DSU for:

(i) one fully paid and non–assessable Share issued from treasury to the Participant or as the Participant may direct; or

(i) at the election of the Participant and subject to the approval of the Plan Administrator, a cash payment.

(b) Any cash payments made under this Section 7.4 by the Corporation to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Share as at the settlement date.

(c) Payment of cash to Participants on the redemption of vested DSUs may be made through the Corporation's payroll or in such other manner as determined by the Corporation.

7.5 No Additional Amount or Benefit

For greater certainty, neither a Participant to whom DSUs are granted nor any person with whom such Participant does not deal at arm's length (for purposes of the Tax Act) shall be entitled, either immediately or in the future, either absolutely or contingently, to receive or obtain any amount or benefit granted or to be granted for the purpose of reducing the impact, in whole or in part, of any reduction in the Market Price of the Shares to which the DSUs relate.

ARTICLE 8
SHARE APPRECIATION RIGHTS

8.1 Granting of SARs

(a) A SAR is an Award which entitles the recipient to receive an amount equal to the excess of the Market Price of a Share on the date of exercise of the SAR over the exercise price specified in the SAR Agreement, on such terms and conditions as set forth in the SAR Agreement.

(b) The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant SARs to any Participant. The terms and conditions of each SAR grant shall be evidenced by SAR

Agreement. A SAR shall be settled in Shares or cash equivalent or combination thereof as the case may be, as set forth in the SAR Agreement.

(c) Notwithstanding any other provision of this Plan, at all times where the Shares are listed on the Exchange, the Corporation shall maintain timely disclosure and file appropriate documentation in connection with SARs grants made under this Plan in accordance with Exchange Policy 4.4 – *Security Based Compensation*.

8.2 SAR Award

(a) Each SAR awarded shall entitle the Participant, upon exercise, to the following:

(i) an amount, in Canadian currency, or Shares, and payable as hereinafter provided, equal to the excess, if any, of: (i) the Market Price of one Share on the date of Exercise of the SAR, over (ii) the exercise price specified in the SAR Agreement; and

(ii) such other benefits as may be determined by the Plan Administrator from time to time.

(b) The exercise price specified in a SAR Agreement must not be less than the Market Price on the date such SAR is granted.

8.3 SAR Term

The Plan Administrator shall determine, at the time of granting the particular SAR, the period during which the SAR is exercisable, which shall not be more than ten (10) years from the date the SAR is granted ("**SAR Term**") and the vesting schedule of such SAR, which will be detailed in the respective SAR Agreement. Unless otherwise determined by the Plan Administrator, each unexercised SAR shall be cancelled at the expiry of such SAR.

8.4 Vesting, Exercisability and Payment

(a) The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of SARs provided that so long as the Shares are listed on the Exchange, such vesting terms are in compliance with Exchange Policy 4.4 – *Security Based Compensation*.

(b) Once a SAR becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the SAR, unless otherwise specified by the Plan Administrator, or as may be otherwise set forth in any written employment agreement, SAR Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant. Each vested SAR may be exercised at any time or from time to time, in whole or in part, for up to the total number of Shares with respect to which it is then exercisable. The Plan Administrator has the right to accelerate the date upon which any SAR becomes exercisable.

(c) Subject to the provisions of this Plan and any SAR Agreement, SARs shall be exercised by means of a fully completed SAR Exercise Notice delivered to the Corporation.

(d) The Plan Administrator may provide at the time of granting a SAR that the exercise of that SAR is subject to restrictions, in addition to those specified in this Section 4.4, such as vesting conditions relating to the attainment of specified Performance Goals.

(e) Upon receipt of a SAR Exercise Notice, payment for the SARs shall be made in the form of Shares, cash or a combination thereof as set forth in the SAR Agreement.

8.5 SAR Agreements

SARs shall be evidenced by a SAR Agreement, in such form not inconsistent with the Plan as the **Plan Administrator** may from time to time determine, provided that the substance of Article 8 hereof be included therein. The SAR Agreement shall contain such terms that may be considered necessary in order that the SAR will comply with any provisions respecting stock appreciation rights in the **income tax** or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the **C**orporation.

ARTICLE 9
ADDITIONAL AWARD TERMS

9.1 Dividend Equivalents

(a) Unless otherwise determined by the Plan Administrator or as set forth in the particular Award Agreement, an Award of RSUs, PSUs and DSUs shall include the right for such RSUs, PSUs and DSUs be credited with dividend equivalents in the form of additional RSUs, PSUs and DSUs, respectively, as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of RSUs, PSUs and DSUs, as applicable, held by the Participant on the record date for the payment of such dividend, by (b) the Market Price at the close of the first Business Day immediately following the dividend record date, with fractions computed to three decimal places, provided, however, that the maximum aggregate number of Shares that may be issued is subject to the limitations set forth in Section 3.7. If the Corporation does not have a sufficient number of shares available to satisfy the obligations in respect of the dividend equivalents granted under this Section 9.1, then the Corporation shall be permitted to pay the dividend equivalents in cash. Dividend equivalents credited to a Participant's account shall vest in proportion to the RSUs, PSUs and DSUs to which they relate, and shall be settled in accordance with Subsections 5.4, 6.6, and 7.4 respectively.

(b) The foregoing does not obligate the Corporation to declare or pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

9.2 Black–out Period

In the event that an Award expires, has a redemption date or has a settlement date, at a time when a scheduled blackout is in place in accordance with the policies of the Corporation or an *bona fide* undisclosed material change or material fact in the affairs of the Corporation exists, the expiry, redemption date or settlement date of such Award will be the date that is 10 Business Days after which such scheduled blackout terminates or there is no longer such undisclosed material change or material fact. Notwithstanding the foregoing, the extension of the redemption time or settlement date for an Award as provided in this Section 8.2 is subject to a cease trade order (or similar order under Securities Laws) in respect of the securities of the Corporation.

9.3 Withholding Taxes

Notwithstanding any other terms of this Plan, the granting, vesting or settlement of each Award under this Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or settlement, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Corporation such amount as the Corporation or a subsidiary of the Corporation is obliged to withhold or remit to the relevant taxing authority in respect of the granting, vesting or settlement of the Award. Any such

additional payment is due no later than the date on which such amount with respect to the Award is required to be remitted to the relevant tax authority by the Corporation or a subsidiary of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation or any Affiliate may (a) withhold such amount from any remuneration or other amount payable by the Corporation or any Affiliate to the Participant, (b) require the sale, on behalf of the applicable Participant, of a number of Shares issued upon exercise, vesting, or settlement of such Award and the remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount, or (c) enter into any other suitable arrangements for the receipt of such amount.

9.4 Recoupment

Notwithstanding any other terms of this Plan, Awards may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Corporation or the relevant subsidiary of the Corporation, or as set out in the Participant's employment agreement, Award Agreement or other written agreement, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 9.4 to any Participant or category of Participants.

9.5 Hold Period

The granting of an Award (i) to Insiders, (ii) Consultants or (iii) where the exercise price is at a discount to the TSXV Market Price, shall be subject to a four-month hold period in compliance with the policies of the Exchange.

ARTICLE 10
TERMINATION OF EMPLOYMENT OR SERVICES

10.1 Termination of Employee, Consultant or Director

Subject to Section 10.2, unless otherwise determined by the Plan Administrator or as set forth in an employment agreement, Award Agreement or other written agreement:

(a) where a Participant's employment, consulting agreement or arrangement is terminated or the Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant or termination by the Corporation or a subsidiary of the Corporation for Cause, then any Option or other Award held by the Participant that has not been exercised, surrendered or settled as of the Termination Date shall be immediately forfeited and cancelled as of the Termination Date;

(b) where a Participant's employment, consulting agreement or arrangement is terminated by the Corporation or a subsidiary of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice), then any unvested Options or other Awards which would otherwise vest or become exercisable in accordance with its terms based solely on the Participant remaining in the service of the Corporation or a subsidiary on or prior to the date that is 90 days after the Termination Date shall immediately vest. Any vested Options may be exercised by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Option; and (B) the date that is 90 days after the Termination Date. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option, that is held by a Participant who is not a U.S. Taxpayer, such Award will be settled within 90 days after the Termination Date. In the case of vested Awards of a U.S. Taxpayer, vested RSUs will be settled within 90 days after the Termination

Date, vested DSUs will be settled in accordance with the Participant's Election Notice (Schedule A hereto), and PSUs that become vested as a result of this Section 10.1(b) will be settled within 90 days after the Termination Date, provided that in all cases such PSUs will be settled by March 15th of the year immediately following the calendar year in which the Termination Date occurs;

(c) where a Participant's employment, consulting agreement or arrangement terminates on account of his or her becoming Disabled, then any Award held by the Participant that has not vested as of the date of the Participant's Termination Date shall vest on such date. Any vested Option may be exercised by the Participant at any time until the Expiry Date of such Option. Any vested Award other than an Option, that is held by a Participant that is not a U.S. Taxpayer, will be settled within 90 days after the Termination Date. In the case of vested Awards of a U.S. Taxpayer, vested RSUs will be settled within 90 days after the Termination Date, vested DSUs will be settled in accordance with the Participant's Election Notice (Schedule A hereto), and PSUs that become vested as a result of this Section 10.1(c) will be settled within 90 days after the Termination Date, provided that in all cases such PSUs will be settled by March 15th of the year immediately following the calendar year in which the Termination Date occurs;

(d) where a Participant's employment, consulting agreement or arrangement is terminated by reason of the death of the Participant, then any Award that is held by the Participant that has not vested as of the date of the death of such Participant shall vest on such date. Any vested Option may be exercised by the Participant's beneficiary or legal representative (as applicable) at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Option; and (B) the first anniversary of the date of the death of such Participant. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option, that is held by a Participant that is not a U.S. Taxpayer, such Award will be settled with the Participant's beneficiary or legal representative (as applicable) within 90 days after the date of the Participant's death. In the case of vested Awards of a U.S. Taxpayer, vested RSUs will be settled within 90 days after the date of death, vested DSUs will be settled in accordance with the Participant's Election Notice (Schedule A hereto), and PSUs that become vested as a result of this Section 10.1(d) will be settled within 90 days after the date of death, provided that in all cases such PSUs will be settled by March 15th of the year immediately following the calendar year in which the death occurs;

(e) where a Participant's employment, consulting agreement or arrangement is terminated due to the Participant's Retirement, then (i) any outstanding Award that vests or becomes exercisable in accordance with its terms based solely on the Participant remaining in the service of the Corporation or a subsidiary will become one hundred percent (100%) vested, and (ii) any outstanding Award that vests based on the achievement of Performance Goals and that has not previously become vested shall continue to be eligible to vest based upon the actual achievement of such Performance Goals. Any vested Option may be exercised by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Option; and (B) the third anniversary of the Participant's date of Retirement. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option that is described in (i), such Award will be settled within 90 days after the Participant's Retirement. In the case of a vested Award other than an Option that is described in (ii), such Award will be settled at the same time the Award would otherwise have been settled had the Participant remained in active service with the Corporation or a subsidiary. Notwithstanding the foregoing, if, following his or her Retirement, the Participant commences (the "**Commencement Date**") employment, consulting or acting as a director of the Corporation or any of its subsidiaries (or in an analogous capacity) or otherwise as a service

provider to any Person that carries on or proposes to carry on a business competitive with the Corporation or any of its subsidiaries, any Option or other Award held by the Participant that has not been exercised or settled as of the Commencement Date shall be immediately forfeited and cancelled as of the Commencement Date;

(f) a Participant's eligibility to receive further grants of Options or other Awards under this Plan ceases as of:

(i) the date that the Corporation or a subsidiary of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment, consulting agreement or arrangement is terminated, notwithstanding that such date may be prior to the Termination Date; or

(ii) the date of the death, Disability or Retirement of the Participant;

(g) notwithstanding Subsection 10.1(b), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, but with due regard for Section 409A, Options or other Awards are not affected by a change of employment or consulting agreement or arrangement, or directorship within or among the Corporation or a subsidiary of the Corporation for so long as the Participant continues to be a Director, Employee or Consultant, as applicable, of the Corporation or a subsidiary of the Corporation; and

(h) for greater clarity, except as otherwise provided in an applicable Award Agreement or employment agreement, and notwithstanding any other provision of this Section 10.1, in the case of an Award (other than an Option or DSU) that is granted to a U.S. Taxpayer and that becomes vested (in whole or in part) pursuant to this Section 10.1 upon the Participant's Termination Date, such Award will, subject to Section 12.6(d), be settled as soon as administratively practicable following the Participant's Termination Date but in no event later than 90 days following the Participant's Termination Date, provided that if such Award is a PSU, settlement will occur no later than March 15th of the year immediately following the calendar year in which the Termination Date occurs. In the case of an Award (other than an Option or DSU) granted to a U.S. Taxpayer that remains eligible to vest (in whole or in part) following a Participant's termination of service based upon the achievement of one or more Performance Goals, such Award will be settled at the earlier of (i) the originally scheduled settlement date at the end of the performance period (to the extent Performance Goals are achieved) and (ii) the date on which performance vesting conditions are waived, or are deemed satisfied pursuant to the terms of the applicable Award Agreement. DSUs will be settled in accordance with the U.S. Taxpayer's Election Notice (Schedule A hereto).

10.2 Discretion to Permit Acceleration

Notwithstanding the provisions of Section 3.7(g) and Section 10.1, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in Section 10.1, or in an employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant, permit the acceleration of vesting of any or all Awards or waive termination of any or all Awards (subject to compliance with Exchange Policy 4.4 – *Security Based Compensation*), all in the manner and on the terms as may be authorized by the Plan Administrator, taking into consideration the requirements of Section 409A of the Code, to the extent applicable, with respect to Awards of U.S. Taxpayers.

ARTICLE 11
EVENTS AFFECTING THE CORPORATION

11.1 General

The existence of any Awards does not affect in any way the right or power of the Corporation or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the Corporation's capital structure or its business, or any amalgamation, combination, arrangement, merger or consolidation involving the Corporation, to create or issue any bonds, debentures, Shares or other securities of the Corporation or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this Article 11 would have an adverse effect on this Plan or on any Award granted hereunder.

11.2 Change in Control

Except as may be set forth in an employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant:

(a) Subject to this Section 11.2, but notwithstanding anything else in this Plan or any Award Agreement, the Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause (i) the conversion or exchange of any outstanding Awards into or for, rights or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Awards to vest and become exercisable, realizable, or payable, or restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such merger or Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such merger or Change in Control; (iii) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights, then such Award may be terminated by the Corporation without payment); (iv) the replacement of such Award with other rights or property selected by the Board of Directors in its sole discretion where such replacement would not adversely affect the holder; or (v) any combination of the foregoing. In taking any of the actions permitted under this Section 11.2(a), the Plan Administrator will not be required to treat all Awards similarly in the transaction. Notwithstanding the foregoing, in the case of Options held by a Canadian Taxpayer, the Plan Administrator may not cause the Canadian Taxpayer to receive (pursuant to this Subsection 11.2(a)) any property in connection with a Change in Control other than rights to acquire shares or units of a "mutual fund trust" (as defined in the Tax Act), of the Corporation or a "qualifying person" (as defined in the Tax Act) that does not deal at arm's length (for purposes of the Tax Act) with the Corporation, as applicable, at the time such rights are issued or granted.

(b) Notwithstanding Section 10.1, and except as otherwise provided in a written employment or other agreement between the Corporation or a subsidiary of the Corporation and a Participant, if within 12 months following the completion of a transaction resulting in a Change in Control, a Participant's employment, consultancy or directorship is terminated by the Corporation or a subsidiary of the Corporation without Cause:

(i) any unvested Awards held by the Participant at the Termination Date shall immediately vest; and

(ii) any vested Awards of Participants may, subject to Section 6.6(d) (where applicable), be exercised, surrendered or settled by such Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the date that is 90 days after the Termination Date, provided that any vested Awards (other than Options) granted to U.S. Taxpayers will be settled within 90 days of the Participant's "separation from service". Any Award that has not been exercised, surrendered or settled at the end of such period will be immediately forfeited and cancelled.

(c) Notwithstanding Subsection 11.2(a) and unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Shares will cease trading on an Exchange, then the Corporation may terminate all of the Awards, other than an Option held by a Canadian Taxpayer for the purposes of the Tax Act, granted under this Plan at the time of and subject to the completion of the Change in Control transaction by paying to each holder at or within a reasonable period of time following completion of such Change in Control transaction an amount for each Award equal to the fair market value of the Award held by such Participant as determined by the Plan Administrator, acting reasonably, provided that any vested Awards granted to U.S. Taxpayers will be settled within 90 days of the Change in Control.

(d) It is intended that any actions taken under this Section 11.2 will comply with the requirements of Section 409A of the Code with respect to Awards granted to U.S. Taxpayers.

11.3 Reorganization of Corporation's Capital

Should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in Control and that would warrant the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

11.4 Other Events Affecting the Corporation

In the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that warrants the amendment or replacement of any existing Awards in order to adjust the number and/or type of Shares that may be acquired, or by reference to which such Awards may be settled, on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

11.5 Immediate Acceleration of Awards

In taking any of the steps provided in Sections 11.3 and 11.4, the Plan Administrator will not be required to treat all Awards similarly and where the Plan Administrator determines that the steps provided in Sections 11.3 and 11.4 would not preserve proportionately the rights, value and obligations of the Participants holding such Awards in the circumstances or otherwise determines that it is appropriate, the Plan Administrator may, but is not required to, permit the immediate vesting of any unvested Awards, provided that any such adjustments or

acceleration of vesting undertaken pursuant to sections 11.3, 11.4 or 11.5 shall be undertaken only to the extent they will not result in adverse tax consequences under Section 409A of the Code.

11.6 Issue by Corporation of Additional Shares

Except as expressly provided in this Article 11, neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Awards.

11.7 Fractions

No fractional Shares will be issued pursuant to an Award. Accordingly, if, as a result of any adjustment under this Article 11 or a dividend equivalent, a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

ARTICLE 12
U.S. TAXPAYERS

12.1 Provisions for U.S. Taxpayers

Options granted under this Plan to U.S. Taxpayers may be non–qualified stock options or incentive stock options qualifying under Section 422 of the Code ("**ISOs**"). Each Option shall be designated in the Award Agreement as either an ISO or a non–qualified stock option. If an Award Agreement fails to designate an Option as either an ISO or non–qualified stock option, the Option will be a non–qualified stock option. The Corporation shall not be liable to any Participant or to any other Person if it is determined that an Option intended to be an ISO does not qualify as an ISO. Non–qualified stock options will be granted to a U.S. Taxpayer only if (i) such U.S. Taxpayer performs services for the Corporation or any corporation or other entity in which the Corporation has a direct or indirect controlling interest or otherwise has a significant ownership interest, as determined under Section 409A, such that the Option will constitute an option to acquire "**service recipient stock**" within the meaning of Section 409A, or (ii) such option otherwise is exempt from Section 409A.

12.2 ISOs

Subject to any limitations in Section 3.6, the aggregate number of Shares reserved for issuance in respect of granted ISOs shall not exceed 10,000,000 Shares, and the terms and conditions of any ISOs granted to a U.S. Taxpayer on the Date of Grant hereunder, including the eligible recipients of ISOs, shall be subject to the provisions of Section 422 of the Code, and the terms, conditions, limitations and administrative procedures established by the Plan Administrator from time to time in accordance with this Plan. At the discretion of the Plan Administrator, ISOs may only be granted to an individual who is an employee of the Corporation, or of a "parent corporation" or "subsidiary corporation" of the Corporation, as such terms are defined in Sections 424(e) and (f) of the Code.

12.3 ISO Grants to 10% Shareholders

Notwithstanding anything to the contrary in this Plan, if an ISO is granted to a person who owns shares representing more than ten percent (10%) of the voting power of all classes of shares of the Corporation or of a "parent corporation" or "subsidiary corporation", as such terms are defined in Section 424(e) and (f) of the Code, on the Date of Grant, the term of the Option shall not exceed five years from the time of grant of such Option and the Exercise Price shall be at least one hundred and ten percent (110%) of the Market Price of the Shares subject to the Option.

12.4 $100,000 Per Year Limitation for ISOs

To the extent the aggregate Market Price as at the Date of Grant of the Shares for which ISOs are exercisable for the first time by any person during any calendar year (under all plans of the Corporation and any "parent corporation" or "subsidiary corporation", as such terms are defined in Section 424(e) and (f) of the Code) exceeds US$100,000, such excess ISOs shall be treated as non–qualified stock options.

12.5 Disqualifying Dispositions

Each person awarded an ISO under this Plan shall notify the Corporation in writing immediately after the date he or she makes a disposition or transfer of any Shares acquired pursuant to the exercise of such ISO if such disposition or transfer is made (a) within two years from the Date of Grant or (b) within one year after the date such person acquired the Shares. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the person in such disposition or other transfer. The Corporation may, if determined by the Plan Administrator and in accordance with procedures established by it, retain possession of any Shares acquired pursuant to the exercise of an ISO as agent for the applicable person until the end of the later of the periods described in (a) or (b) above, subject to complying with any instructions from such person as to the sale of such Shares.

12.6 Section 409A of the Code

(a) This Plan will be construed and interpreted to be exempt from, or where not so exempt, to comply with Section 409A of the Code to the extent required to preserve the intended tax consequences of this Plan. Any reference in this Plan to Section 409A of the Code shall also include any regulation promulgated thereunder or any other formal guidance issued by the Internal Revenue Service with respect to Section 409A of the Code. Each Award shall be construed and administered such that the Award either (A) qualifies for an exemption from the requirements of Section 409A of the Code or (B) satisfies the requirements of Section 409A of the Code. If an Award is subject to Section 409A of the Code, (I) distributions shall only be made in a manner and upon an event permitted under section 409A of the Code, (II) payments to be made upon a termination of employment or service shall only be made upon a "separation from service" under Section 409A of the Code, (III) unless the Award specifies otherwise, each installment payment shall be treated as a separate payment for purposes of Section 409A of the Code, and (IV) in no event shall a Participant, directly or indirectly, designate the calendar year in which a distribution is made except in accordance with Section 409A of the Code. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Section 409A of the Code, the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Section 409A of the Code, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Section 409A of the Code. Payment of any Award that is intended to be exempt from Section 409A of the Code as a short-term deferral shall in all events be paid by no later than March 15 of the year following the year of the applicable vesting event. The Corporation reserves the right to amend this Plan to the extent it reasonably determines is necessary in order to preserve the intended tax consequences of this Plan in light of Section 409A of the Code. In no event will the Corporation or any of its subsidiaries or Affiliates be liable for any tax, interest or penalties that may be imposed on a Participant under Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.

(b) All terms of the Plan that are undefined or ambiguous must be interpreted in a manner that complies with Section 409A of the Code if necessary to comply with Section 409A of the Code.

(c) The Plan Administrator, in its sole discretion, may permit the acceleration of the time or schedule of payment of a U.S. Taxpayer's vested Awards in the Plan under circumstances that constitute permissible acceleration events under Section 409A of the Code.

(d) Notwithstanding any provisions of the Plan to the contrary, in the case of any "specified employee" within the meaning of Section 409A of the Code who is a U.S. Taxpayer, distributions of non–qualified deferred compensation under Section 409A of the Code made in connection with a "separation from service" within the meaning set forth in Section 409A of the Code may not be made prior to the date which is six months after the date of separation from service (or, if earlier, the date of death of the U.S. Taxpayer). Any amounts subject to a delay in payment pursuant to the preceding sentence shall be paid as soon practicable following such six–month anniversary of such separation from service.

12.7 Section 83(b) Election

If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Shares subject to vesting or other forfeiture conditions, the Participant shall be required to promptly file a copy of such election with the Corporation.

12.8 Application of Article 12 to U.S. Taxpayers

For greater certainty, the provisions of this Article 12 shall only apply to U.S. Taxpayers.

ARTICLE 13
AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

13.1 Amendment, Suspension, or Termination of the Plan

The Plan Administrator may from time to time, without notice and without approval of the holders of voting shares of the Corporation, amend, modify, change, suspend or terminate the Plan or any Awards granted pursuant to the Plan as it, in its discretion determines appropriate, provided, however, that:

(a) no such amendment, modification, change, suspension or termination of the Plan or any Awards granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable Securities Laws or Exchange requirements; and

(b) any amendment that would cause an Award held by a U.S. Taxpayer to be subject to income inclusion under Section 409A of the Code shall be null and void *ab initio* with respect to the U.S. Taxpayer unless the consent of the U.S. Taxpayer is obtained.

13.2 Shareholder Approval

(a) The Corporation shall seek annual Exchange and shareholder approval for this hybrid fixed and rolling Plan in conformity with TSXV Policy 4.4. In addition, where shareholder approval is required on a "disinterested" basis, the initial and annual shareholder approval must be disinterested shareholder approval.

(b) In addition to Section 13.2(b) and notwithstanding Section 13.1 and subject to any rules of the Exchange, approval of the holders of Shares shall be required for any amendment, modification or change that:

(i) increases the percentage of Shares reserved for issuance under the Plan, except pursuant to the provisions under Article 11 which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;

(ii) amends an amending provision within the Plan;

(iii) reduces the exercise price of an Option (for this purpose, a cancellation or termination of an Option of a Participant prior to its Expiry Date for the purpose of reissuing an Option to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Option) except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;

(iv) extends the term of an Option beyond the original Expiry Date (except where an Expiry Date would have fallen within a blackout period applicable to the Participant or within 10 Business Days following the expiry of such a blackout period);

(v) amends an entitlement to an individual Award;

(vi) permits an Option to be exercisable beyond 10 years from its Date of Grant (except where an Expiry Date would have fallen within a blackout period of the Corporation);

(vii) permits Awards to be transferred to a Person in circumstances other than those specified under Section 3.9;

(viii) changes the eligible participants of the Plan;

(ix) proposes to amend any material term of this Plan, such proposed amendment having first received the approval of a majority of the Board of the Corporation; or

(x) deletes or reduces the range of amendments which require approval of shareholders under this Section 13.2.

(c) The Corporation is required to obtain shareholder approval on a "disinterested" basis in compliance with the applicable policies of the Exchange in the following circumstances:

(i) reduces the exercise price or purchase price of an Award benefiting an Insider;

(ii) extends the term of an Award benefiting an Insider;

(iii) increases or removes the ten percent (10%) limits on Shares issuable or issued to Insiders as set forth in Section 3.7; and

(iv) the issuance to any Participant, within a 12-month period, of a number of Shares exceeding five percent (5%) of the issued and outstanding Shares.

(d) The Corporation shall be required to obtain Exchange acceptance of any amendment to this Plan.

13.3 Permitted Amendments

Without limiting the generality of Section 13.1, but subject to Section 13.2, the Plan Administrator may, without shareholder approval, at any time or from time to time, amend the Plan for the purposes of:

(a) making any amendments to the general vesting provisions of each Award;

(b) making any amendments to the provisions set out in Article 10;

(c) making any amendments to add covenants of the Corporation for the protection of Participants, as the case may be, provided that the Plan Administrator shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be;

(d) 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 Plan Administrator, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Plan Administrator shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and Directors; or

(e) making such changes or corrections which, on the advice of counsel to the Corporation, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Plan Administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

ARTICLE 14
MISCELLANEOUS

14.1 Legal Requirement

The Corporation is not obligated to grant any Awards, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its sole discretion, such action would constitute a violation by a Participant or the Corporation of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed.

14.2 No Other Benefit

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of a Share, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

14.3 Rights of Participant

No Participant has any claim or right to be granted an Award and the granting of any Award is not to be construed as giving a Participant a right to remain as an Employee, Consultant or Director. No Participant has any rights as a shareholder of the Corporation in respect of Shares issuable pursuant to any Award until the allotment and issuance to such Participant, or as such Participant may direct, of certificates representing such Shares.

14.4 Corporate Action

Nothing contained in this Plan or in an Award shall be construed so as to prevent the Corporation from taking corporate action which is deemed by the Corporation to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or any Award.

14.5 Conflict

In the event of any conflict between the provisions of this Plan and an Award Agreement, the provisions of the Award Agreement shall govern. In the event of any conflict between or among the provisions of this Plan or any Award Agreement, on the one hand, and a Participant's employment agreement with the Corporation or a subsidiary of the Corporation, as the case may be, on the other hand, the provisions of the employment agreement or other written agreement shall prevail.

14.6 Anti–Hedging Policy

By accepting an Award each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Awards.

14.7 Participant Information

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan. Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such persons (including persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

14.8 Participation in the Plan

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Corporation to ensure the continued employment or engagement of such Participant. The Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Shares. The Corporation does not assume responsibility for the income or other tax consequences for the Participants and Directors and they are advised to consult with their own tax advisors.

14.9 International Participants

With respect to Participants who reside or work outside Canada and the United States, the Plan Administrator may, in its sole discretion, amend, or otherwise modify, without shareholder approval, the terms of the Plan or Awards with respect to such Participants in order to conform such terms with the provisions of local law, and the Plan Administrator may, where appropriate, establish one or more sub–plans to reflect such amended or otherwise modified provisions.

14.10 Successors and Assigns

The Plan shall be binding on all successors and assigns of the Corporation and its subsidiaries.

14.11 General Restrictions or Assignment

Except as required by law, the rights of a Participant under the Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant unless otherwise approved by the Plan Administrator.

14.12 Severability

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

14.13 Notices

All written notices to be given by a Participant to the Corporation shall be delivered personally, e–mail or mail, postage prepaid, addressed as follows:

> Consolidated Aerospace Finance Corporation
> 1900, 520 3rd Ave SW
> Calgary, Alberta
> T2P 0R3
>
> Attention: Ravi Latour
> Email: RLatour@blg.com

All notices to a Participant will be addressed to the principal address of the Participant on file with the Corporation. Either the Corporation or the Participant may designate a different address by written notice to the other. Such notices are deemed to be received, if delivered personally or by e–mail, on the date of delivery, and if sent by mail, on the fifth Business Day following the date of mailing. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

14.14 Governing Law

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, without any reference to conflicts of law rules.

14.15 Submission to Jurisdiction

The Corporation and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of Alberta in respect of any action or proceeding relating in any way to the Plan, including, without limitation, with respect to the grant of Awards and any issuance of Shares made in accordance with the Plan.

SCHEDULE A

CONSOLIDATED AEROSPACE FINANCE CORPORATION

OMNIBUS EQUITY INCENTIVE PLAN
(THE "PLAN")

ELECTION NOTICE

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Pursuant to the Plan, I hereby elect to participate in the grant of DSUs pursuant to Article 7 of the Plan and to receive ____% of my Cash Fees in the form of DSUs.

If I am a U.S. Taxpayer, I hereby further elect for any DSUs subject to this Election Notice to be settled on the later of (i) my "separation from service" (within the meaning of Section 409A) or (ii) ______________.

I confirm that:

(a) I have received and reviewed a copy of the terms of the Plan and agreed to be bound by them.

(b) I recognize that when DSUs credited pursuant to this election are redeemed in accordance with the terms of the Plan, income tax and other withholdings as required will arise at that time. Upon redemption of the DSUs, the Corporation will make all appropriate withholdings as required by law at that time.

(c) The value of DSUs is based on the value of the Shares of the Corporation and therefore is not guaranteed.

(d) To the extent I am a U.S. taxpayer, I understand that this election is irrevocable for the calendar year to which it applies and that any revocation or termination of this election after the expiration of the election period will not take effect until the first day of the calendar year following the year in which I file the revocation or termination notice with the Corporation.

The foregoing is only a brief outline of certain key provisions of the Plan. For more complete information, reference should be made to the Plan's text.

Date:

____
(Name of Participant)

____
(Signature of Participant)

SCHEDULE B

CONSOLIDATED AEROSPACE FINANCE CORPORATION

OMNIBUS EQUITY INCENTIVE PLAN
(THE "PLAN")

ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUS

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Cash Fees accrued after the date hereof shall be paid in DSUs in accordance with Article 7 of the Plan.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date:

____
(Name of Participant)

____
(Signature of Participant)

Note: An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.

SCHEDULE C

CONSOLIDATED AEROSPACE FINANCE CORPORATION

OMNIBUS EQUITY INCENTIVE PLAN
(THE "PLAN")

ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUS
(U.S. TAXPAYERS)

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Cash Fees accrued after the effective date of this termination notice shall be paid in DSUs in accordance with Article 5 of the Plan.

I understand that this election to terminate receipt of additional DSUs will not take effect until the first day of the calendar year following the year in which I file this termination notice with the Corporation.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date:

____
(Name of Participant)

____
(Signature of Participant)

Note: An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.

APPENDIX E
Share Terms Amendment

(See attached)

SCHEDULE 1

CLASSES OF SHARES

The authorized capital of the Corporation consists of the following:

A. An unlimited number of Variable Voting Shares, which class of shares shall have attached thereto the rights, privileges, restrictions and conditions set forth below;

B. An unlimited number of Common Voting Shares, which class of shares shall have attached thereto the rights, privileges, restrictions and conditions set forth below; and

C. An unlimited number of Preferred Shares.

ARTICLE 1

INTERPRETATION

1.1 DEFINITIONS

For purposes of the Articles, the following terms have the following meanings:

(a) "**ABCA**" means the *Business Corporations Act* (Alberta), R.S.A. 2000, c.B-9, as amended;

(b) "**ABCA Regulations**" means any regulations promulgated from time to time under the ABCA;

(c) "**affiliation**" shall, for purposes of subparagraphs 2.1.1, 2.1.2 and 2.1.3, have the meaning set forth in Subsection 55(2) of the CTA or as specified in any regulation made thereunder, as the same may be amended, supplemented or replaced, from time to time;

(d) "**Aggregate Votes**" means the aggregate of the votes attached to all Voting Shares of the Corporation that may ordinarily be cast to elect directors of the Corporation;

(e) "**air service**" shall have the meaning set forth in Subsection 55(1) of the CTA or as specified in any regulation made thereunder, as the same may be amended, supplemented or replaced, from time to time;

(f) "**Canadian**" shall have the meaning set forth in Subsection 55(1) of the CTA or as specified in any regulation made thereunder, as the same may be amended, supplemented or replaced, from time to time;

(g) "**Common Voting Share**" means the common voting shares of the share capital of the Corporation;

(h) "**corporation**" includes a body corporate, partnership and unincorporated organization;

(i) "**CTA**" means the *Canada Transportation Act*, S.C. 1996, Ch. 10, as amended;

(j) "**Non-Canadian Holder(s) Authorized to Provide Air Service**" shall have the meaning set forth in subparagraph 2.1.2(i);

(k) "**person**" includes an individual, corporation, association, entity, government or agency thereof, trustee, executor, administrator and other legal representative, and references to "person" in the singular shall be deemed to include the plural and vice versa;

(l) "**Single Non-Canadian Holder**" shall have the meaning set forth in subparagraph 2.1.1(i);

(m) "**Transfer Agent**" means the transfer agent and the registrar of the Voting Shares of the Corporation;

(n) "**Variable Voting Share**" means the variable voting shares of the share capital of the Corporation; and

(o) "**Voting Share**" means the Variable Voting Shares and the Common Voting Shares of the share capital of the Corporation and includes a security currently convertible into such a share and currently exercisable options and rights to acquire such shares or such a convertible security.

ARTICLE 2

VARIABLE VOTING SHARES

Subject to the rights, privileges, restrictions and conditions which attach to any other class of shares, the Variable Voting Shares shall, as a class, have the following rights, privileges, restrictions and conditions:

2.1 VOTING

The holders of the Variable Voting Shares shall be entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Corporation, except where the holders of a specified class shall be entitled to vote separately as a class as provided in the ABCA.

The Variable Voting Shares shall carry one vote per Variable Voting Share unless any of the thresholds set forth in subparagraphs 2.1.1, 2.1.2 or 2.1.3, as the case may be, would otherwise be surpassed at any time, in which case the vote attached to a Variable Voting Share will decrease as described in this Section 2.1 below.

2.1.1 Single Non-Canadian Holder

If at any time:

(a) a single non-Canadian holder of Variable Voting Shares (a "**Single Non-Canadian Holder**"), either individually or in affiliation with any other person, owns directly or indirectly, a number of Variable Voting Shares that, as a percentage of the total number of all Voting Shares outstanding, exceeds 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation), or

(b) the total number of votes that would be cast by or on behalf of a Single Non-Canadian Holder, either individually or in affiliation with another person, at any shareholder meeting would exceed 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting,

then the vote attached to each Variable Voting Share owned by such Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder, will decrease proportionately and automatically without further act or formality only to such extent that, as a result (x) the Variable Voting Shares owned by

such Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder do not carry in the aggregate more than 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the Aggregate Votes attached to all issued and outstanding Voting Shares of the Corporation, and (y) the total number of votes cast by or on behalf of such Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder at any shareholder meeting do not exceed in the aggregate 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting.

For greater certainty, a single Non-Canadian Holder Authorized to Provide Air Service (as such term is defined in subparagraph 2.1.2(i)) shall also constitute a Single Non-Canadian Holder for purposes of subparagraph 1.1.1.

2.1.2 Non-Canadian Holder Authorized to Provide Air Service

If at any time:

(a) one or more non-Canadians authorized to provide an air service in any jurisdiction (each, a "Non-Canadian Holder Authorized to Provide Air Service" and collectively, the "Non-Canadian Holders Authorized to Provide Air Service"), collectively own directly or indirectly, either individually or in affiliation with any other person, a number of Variable Voting Shares that, as a percentage of the total number of all Voting Shares outstanding, after the application of the automatic and proportionate decrease to the votes attached to all of the Variable Voting Shares owned by any Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder in accordance with subparagraph 2.1.1 (if any, as may be required thereunder), exceeds 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation), or

(b) the total number of votes that would be cast by or on behalf of Non-Canadian Holders Authorized to Provide Air Service and persons in affiliation with any Non-Canadian Holders Authorized to Provide Air Service at any shareholder meeting would, after the application of the automatic and proportionate decrease to the votes attached to all of the Variable Voting Shares owned by any Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder in accordance with subparagraph 2.1.1 (if any, as may be required thereunder) exceeds 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting,

then the vote attached to each Variable Voting Share owned by all Non-Canadian Holders Authorized to Provide Air Service and by any person in affiliation with such Non-Canadian Holders Authorized to Provide Air Service will decrease proportionately and automatically without further act or formality only to such extent that, as a result (x) the Variable Voting Shares owned by all Non-Canadian Holders Authorized to Provide Air Service and by any person in affiliation with such Non-Canadian Holders Authorized to Provide Air Service do not carry in the aggregate more than 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the Aggregate Votes attached to all issued and outstanding Voting Shares of the Corporation, and (y) the total number of votes cast by or on behalf of all Non-Canadian Holders Authorized to Provide Air Service and by any person in affiliation with one or more Non-Canadian Holders Authorized to Provide Air Service at any shareholder meeting do not exceed in the aggregate 25% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting.

2.1.3 General - All Holders of Variable Voting Shares

If at any time:

2.1.3.1 the number of issued and outstanding Variable Voting Shares, after the application of the automatic and proportionate decrease to the votes attached to all of the Variable Voting Shares owned by any Single Non- Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder in accordance with subparagraph 2.1.1 and after the application of the automatic and proportionate decrease to the votes attached to all of the Variable Voting Shares owned by Non-Canadian Holders Authorized to Provide Air Service and by persons in affiliation with one or more Non-Canadian Holders Authorized to Provide Air Service in accordance with subparagraph 2.1.2 (in each case, if any, as may be required under such subparagraphs), exceeds 49% of the total number of all issued and outstanding Voting Shares (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation), or

2.1.3.2 the total number of votes that would be cast by or on behalf of holders of Variable Voting Shares at any shareholder meeting would, after the application of the automatic and proportionate decrease to the votes attached to all of the Variable Voting Shares owned by any Single Non-Canadian Holder and by any person in affiliation with such Single Non-Canadian Holder in accordance with subparagraph 2.1.1 and after the application of the automatic and proportionate decrease to the votes attached to all of the Variable Voting Shares owned by Non-Canadian Holders Authorized to Provide Air Service and by persons in affiliation with one or more Non-Canadian Holders Authorized to Provide Air Service in accordance with subparagraph 2.1.2 (in each case, if any, as may be required under such subparagraphs), would exceed 49% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting,

then the vote attached to each Variable Voting Share will decrease proportionately and automatically and without further act or formality only to such extent that, as a result (i) the Variable Voting Shares do not carry more than 49% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the Aggregate Votes attached to all issued and outstanding Voting Shares of the Corporation, and (ii) the total number of votes cast by or on behalf of holders of Variable Voting Shares as a class at any shareholder meeting do not exceed 49% (or any different percentage that may be prescribed by law or regulation of Canada or a province of Canada applicable to the Corporation, and approved or adopted by the directors of the Corporation) of the total number of votes cast at such meeting.

2.2 DIVIDENDS

Subject to the rights, privileges, restrictions and conditions attached to any other class of shares of the Corporation ranking prior to the Variable Voting Shares, the holders of Variable Voting Shares shall be entitled to receive any dividend declared by the directors of the Corporation at the times and for the amounts that the Board of Directors may, from time to time, determine. The Variable Voting Shares and the Common Voting Shares shall rank equally as to dividends on a share-for-share basis, and all dividends declared in any fiscal year of the Corporation shall be declared in equal or equivalent amounts per share on all Variable Voting Shares and Common Voting Shares then outstanding, without preference or distinction.

2.3 SUBDIVISION OR CONSOLIDATION

No subdivision or consolidation of the Variable Voting Shares shall occur unless, simultaneously, the Variable Voting Shares, the Common Voting Shares and the Non-Voting Shares are subdivided or consolidated in the

same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

2.4 LIQUIDATION, DISSOLUTION OR WINDING-UP

Subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation ranking prior to the Variable Voting Shares, in the case of liquidation, dissolution or winding-up of the Corporation or other distribution of the Corporation's assets among its shareholders for the purpose of winding-up its affairs, the holders of Variable Voting Shares and Common Voting Shares shall be entitled to receive the remaining property of the Corporation and shall be entitled to share equally, share for share, in all distributions of such assets.

2.5 CONVERSION

2.5.1 Automatic

Each issued and outstanding Variable Voting Share shall be automatically converted into one Common Voting Share without any further act on the part of the Corporation or of the holder, if:

(a) such Variable Voting Share is or becomes beneficially owned and controlled, directly or indirectly, by a Canadian; or

(b) the provisions contained in the CTA relating to foreign ownership restrictions are repealed and not replaced with other similar provisions.

2.5.2 Upon an Offer

In the event that an offer is made to purchase Common Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Common Voting Shares are then listed, to be made to all or substantially all the holders of Common Voting Shares in a province or territory of Canada to which the requirement applies, each Variable Voting Share shall become convertible at the option of the holder into one Common Voting Share at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Variable Voting Shares for the purpose of depositing the resulting Common Voting Shares pursuant to the offer, and for no other reason, including notably with respect to voting rights attached thereto, which are deemed to remain subject to Section 2.1, immediately above, notwithstanding their conversion. The Transfer Agent shall deposit the resulting Common Voting Shares on behalf of the holder.

To exercise such conversion right, the holder or his attorney duly authorized in writing shall:

(a) give written notice to the Transfer Agent of the exercise of such right and of the number of Variable Voting Shares in respect of which the right is being exercised;

(b) deliver to the Transfer Agent the share certificate or certificates representing the Variable Voting Shares in respect of which the right is being exercised; and

(c) pay any applicable stamp tax or similar duty on or in respect of such conversion.

No share certificates representing the Common Voting Shares resulting from the conversion of the Variable Voting Shares shall be delivered to the holders on whose behalf such deposit is being made.

If Common Voting Shares resulting from the conversion and deposited pursuant to the offer are withdrawn by the holder or are not taken up by the offeror; or the offer is abandoned or withdrawn by the offeror or the offer otherwise expires without such Common Voting Shares being taken up and paid for, the Common Voting Shares resulting from the conversion will be reconverted into Variable Voting Shares and a share certificate representing the Variable Voting Shares will be sent to the holder by the Transfer Agent. Common Voting Shares resulting from the conversion and taken up and paid for by the offeror shall be re-converted into Variable Voting Shares at the time the offeror is required under the applicable securities legislation to take up and pay for such shares if the offeror is not a Canadian.

In the event that the offeror takes up and pays for the Common Voting Shares resulting from conversion, the Transfer Agent shall deliver to the holders thereof the consideration paid for such shares by the offeror.

There will be no right to convert the Variable Voting Shares into Common Voting Shares in the following cases:

(d) the offer to purchase Common Voting Shares is not required under applicable securities legislation or the rules of a stock exchange on which the Common Voting Shares are then listed to be made to all or substantially all of the holders of Common Voting Shares in a province or territory of Canada to which the requirement applies, that is, the offer is an "exempt take-over bid" within the meaning of the foregoing securities legislation; or

(e) an offer to purchase Variable Voting Shares is made concurrently with the offer to purchase Common Voting Shares and the two offers are identical in respect of price per share, percentage of outstanding shares for which the offer is made, and in all other material respects, including in respect of the conditions attaching thereto. The offer to purchase the Variable Voting Shares must be unconditional, subject to the exception that the offer for the Variable Voting Shares may contain a condition to the effect that the offeror is not required to take up and pay for Variable Voting Shares deposited to the offer if no shares are purchased pursuant to the contemporaneous offer for the Common Voting Shares.

ARTICLE 3

COMMON VOTING SHARES

Subject to the rights, privileges, restrictions and conditions which attach to the shares of any other class, the Common Voting Shares, as a class, shall have attached thereto the following rights, privileges, restrictions and conditions.

3.1 VOTING

The holders of Common Voting Shares shall be entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Corporation, except where the holders of a specified class shall be entitled to vote separately as a class as provided in the ABCA. Each Common Voting Share shall confer the right to one vote at all meetings of shareholders of the Corporation.

3.2 DIVIDENDS AND DISTRIBUTIONS

Subject to the rights, privileges, restrictions and conditions attached to any class of shares of the Corporation ranking prior to the Common Voting Shares, holders of Common Voting Shares shall be entitled to receive the dividends declared by the directors of the Corporation at the times and for the amounts that the Board of Directors may, from time to time, determine. The Common Voting Shares and Variable Voting Shares shall rank equally as to dividends on a share for share basis and all dividends declared in any fiscal year of the Corporation shall be declared in equal or equivalent amounts per share on all Common Voting Shares and Variable Voting Shares then outstanding, without preference or distinction.

3.3 SUBDIVISION OR CONSOLIDATION

No subdivision or consolidation of the Common Voting Shares shall occur unless, simultaneously, the Common Voting Shares and the Variable Voting Shares are subdivided or consolidated in the same manner, so as to maintain and preserve the respective rights of the holders of the shares of each of the said classes.

3.4 LIQUIDATION, DISSOLUTION OR WINDING-UP

Subject to the rights, privileges, restrictions and conditions attaching to any class of shares ranking prior to the Common Voting Shares, in the case of liquidation, dissolution or winding-up of the Corporation or other distribution of the Corporation's assets among its shareholders for the purposes of winding-up its affairs, the holders of Common Voting Shares and Variable Voting Shares shall be entitled to receive the remaining property of the Corporation and shall be entitled to share equally, share for share, in all distributions of such assets.

3.5 CONVERSION

3.5.1 Automatic

Subject to the foreign ownership restrictions of the CTA, an issued and outstanding Common Voting Share shall be converted into one Variable Voting Share, automatically and without any further act of the Corporation or the holder, if such Common Voting Share is or becomes beneficially owned or controlled, directly or indirectly, by a person who is not a Canadian.

3.5.2 Upon an Offer

In the event that an offer is made to purchase Variable Voting Shares and the offer is one which is required, pursuant to applicable securities legislation or the rules of a stock exchange on which the Variable Voting Shares, are then listed, to be made to all or substantially all the holders of Variable Voting Shares in a province or territory of Canada to which the requirement applies, each Common Voting Share shall become convertible at the option of the holder into one Variable Voting Share, at any time while the offer is in effect until one day after the time prescribed by applicable securities legislation for the offeror to take up and pay for such shares as are to be acquired pursuant to the offer. The conversion right may only be exercised in respect of Common Voting Shares for the purpose of depositing the resulting Variable Voting Shares pursuant to the offer, and for no other reason, including notably with respect to voting rights attached thereto, which are deemed to remain subject to paragraph 3.1, immediately above, notwithstanding their conversion. The Transfer Agent shall deposit the resulting Variable Voting Shares on behalf of the holder.

To exercise such conversion right, the holder or his attorney duly authorized in writing shall:

(a) give written notice to the Transfer Agent of the exercise of such right and of the number of Variable Voting Shares in respect of which the right is being exercised;

(b) deliver to the Transfer Agent the share certificate or certificates representing the Variable Voting Shares in respect of which the right is being exercised; and

(c) pay any applicable stamp tax or similar duty on or in respect of such conversion.

No share certificates representing the Variable Voting Shares, resulting from the conversion of the Common Voting Shares will be delivered to the holders on whose behalf such deposit is being made.

If Variable Voting Shares resulting from the conversion and deposited pursuant to the offer are withdrawn by the holder or are not taken up by the offeror; or the offer is abandoned or withdrawn by the offeror or the offer otherwise expires without such Variable Voting Shares, being taken up and paid for, the Variable Voting Shares

resulting from the conversion will be re-converted into Common Voting Shares and a share certificate representing the Common Voting Shares will be sent to the holder by the Transfer Agent. Variable Voting Shares resulting from the conversion and taken up and paid for by the offeror shall be re-converted into Common Voting Shares at the time the offeror is required under the applicable securities legislation to take up and pay for such shares if the offeror is Canadian.

In the event that the offeror takes up and pays for the Variable Voting Shares resulting from conversion, the Transfer Agent shall deliver to the holders thereof the consideration paid for such shares by the offeror.

There will be no right to convert the Common Voting Shares into Variable Voting Shares in the following cases:

(d) the offer to purchase Variable Voting Shares is not required under applicable securities legislation or the rules of a stock exchange on which the Variable Voting Shares are then listed to be made to all or substantially all of the holders of Variable Voting Shares in a province or territory of Canada to which the requirement applies that is, the offer is an "exempt take- over bid" within the meaning of the foregoing securities legislation; or

(e) an offer to purchase Common Voting Shares is made concurrently with the offer to purchase Variable Voting Shares and the two offers are identical in respect of price per share, percentage of outstanding shares for which the offer is made, and in all other material respects, including in respect of the conditions attaching thereto. The offer to purchase the Common Voting Shares must be unconditional, subject to the exception that the offer for the Common Voting Shares may contain a condition to the effect that the offeror is not required to take up and pay for Common Voting Shares deposited to the offer if no shares are purchased pursuant to the contemporaneous offer for the Variable Voting Shares.

ARTICLE 4
PREFERRED SHARES

4.1 PREFERRED SHARES IN A SERIES

The directors of the Corporation may at any time issue any Preferred Shares in one or more series, each series to consist of such number of shares as may be determined by the directors of the Corporation. The directors of the Corporation may determine at the time of issuance the designation, rights, privileges, restrictions and conditions attaching to the shares of each series.

4.2 DIVIDENDS

Subject to any rights, privileges, restrictions and conditions which may have been determined by the directors of the Corporation to attach to any series of Preferred Shares, the directors shall have complete uncontrolled discretion to pay dividends on any class or classes of shares or any series within a class of shares issued and outstanding in any particular year to the exclusion of any other class or classes of shares or any series within a class of shares out of any or all profits or surplus available for dividends.

4.3 REPAYMENTS OF CAPITAL

On the winding-up, liquidation or dissolution of the Corporation or upon the happening of any other event giving rise to a distribution of the Corporation's assets other than by way of dividend amongst its shareholders for the purposes of winding-up its affairs, subject to any rights, privileges, restrictions and conditions which may have been determined by the directors of the Corporation to attach to any series of Preferred Shares, the holders of all shares shall be entitled to participate pari passu.

4.4 VOTING

The holders of the Preferred Shares shall have no right to receive notice of or to be present at or vote either in person or by proxy, at any general meeting of the Corporation by virtue of or in respect of their holding of Preferred Shares.

SCHEDULE 2

CONSTRAINTS ON OWNERSHIP AND TRANSFERS OF SHARES

CONSTRAINTS RELATING TO SHARES

Variable Voting Shares

The Variable Voting Shares may only be beneficially owned or controlled, directly or indirectly, by persons who are not Canadians.

Common Voting Shares

The Common Voting Shares may only be beneficially owned and controlled, directly or indirectly, by Canadians.

ABCA Constraints

In the event that any Canadian federal or provincial legislation or regulation applicable to the Corporation should become prescribed for the purposes of subsections 174(1)(b)(c)(d) or (e) of the ABCA or any other similar provision in the ABCA or ABCA Regulations, these provisions shall be read as if they included additional constraints that assist the Corporation or any of its affiliates or associates (within the meaning of the ABCA) to qualify under such prescribed law or regulation to receive licenses, permits, grants, payments or other benefits by reason of attaining or maintaining a specified level of Canadian ownership and control and such specified level of Canadian ownership and control shall be the level, of Canadian ownership and control designated by such prescribed law or regulation of Canada or a province.

Joint Ownership

Where Voting Shares of the Corporation are beneficially owned or controlled by several persons jointly, the number of Voting Shares beneficially owned or controlled by any one such person shall include the number of Voting Shares beneficially owned or controlled jointly with such other persons. Where the Voting Shares are beneficially owned or controlled jointly by a person who is not Canadian and another person or persons, the Voting Shares shall be deemed to be owned or controlled by such person who is not a Canadian.

Exceptions

(a) Nothing in these provisions shall be construed to apply in respect of Voting Shares of the Corporation that:

  (i) are held by one or more underwriters solely for the purpose of distributing the shares to the public; or

  (ii) are held by any person that is acting in relation to the shares solely in its capacity as an intermediary in the payment of funds or the delivery of securities, or both, in connection with trades in securities and that provides centralized facilities for the clearing of trades in securities.

(b) The constraints imposed herein do not apply to the extent that a person who is not a Canadian holds Voting Shares by way of security only and such holding by way of security only is evidenced in such form as may be prescribed by the by-laws or resolutions adopted by the shareholders or directors of the Corporation and filed by such holder with the Corporation.

Powers of Directors

(a) In the administration of these provisions, the directors of the Corporation shall enjoy, in addition to the powers set forth herein, all of the powers necessary or desirable, in their opinion, to carry out the intent and purpose hereof, including but not limited to all powers contemplated by the provisions relating to constrained share corporations in the ABCA and the ABCA Regulations.

(b) Neither any shareholder of the Corporation nor any other interested person shall have any claim or action against the Corporation or against any director or officer of the Corporation nor shall the Corporation have any claim or action against any director or officer of the Corporation arising out of any act (including any omission to act) performed pursuant to or in intended pursuance of these provisions or any breach or alleged breach of such provisions.

APPENDIX F
Section 191 of the *Business Corporations Act* (Alberta)

Shareholder's right to dissent

191(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,

(b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,

(b.1) amend its articles under section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in section 15.2(1),

(c) amalgamate with another corporation, otherwise than under section 184 or 187,

(d) be continued under the laws of another jurisdiction under section 189, or

(e) sell, lease or exchange all or substantially all its property under section 190.

(2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.

(3) In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)

(a) at or before any meeting of shareholders at which the resolution is to be voted on, or

(b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder's right to dissent.

(6) An application may be made to the Court after the adoption of a resolution referred to in subsection (1) or (2),

(a) by the corporation, or

(b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5),

to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.

(8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder

(a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or

(b) within 10 days after the corporation is served with a copy of the application, if a shareholder is the applicant.

(9) Every offer made under subsection (7) shall

(a) be made on the same terms, and

(b) contain or be accompanied with a statement showing how the fair value was determined.

(10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.

(11) A dissenting shareholder

(a) is not required to give security for costs in respect of an application under subsection (6), and

(b) except in special circumstances must not be required to pay the costs of the application or appraisal.

(12) In connection with an application under subsection (6), the Court may give directions for

(a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,

(b) the trial of issues and interlocutory matters, including pleadings and questioning under Part 5 of the *Alberta Rules of Court*,

(c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,

(d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,

(e) the appointment and payment of independent appraisers, and the procedures to be followed by them,

(f) the service of documents, and

(g) the burden of proof on the parties.

(13) On an application under subsection (6), the Court shall make an order

(a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,

(b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders,

(c) fixing the time within which the corporation must pay that amount to a shareholder, and

(d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(14) On

(a) the action approved by the resolution from which the shareholder dissents becoming effective,

(b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or

(c) the pronouncement of an order under subsection (13),

whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.

(15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).

(16) Until one of the events mentioned in subsection (14) occurs,

(a) the shareholder may withdraw the shareholder's dissent, or

(b) the corporation may rescind the resolution,

and in either event proceedings under this section shall be discontinued.

(17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.

(18) If subsection (20) applies, the corporation shall, within 10 days after

(a) the pronouncement of an order under subsection (13), or

(b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares,

notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or

(b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.