



**NOTICE OF ANNUAL AND SPECIAL MEETING  
AND  
MANAGEMENT INFORMATION CIRCULAR  
WITH RESPECT TO  
THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD DECEMBER 6, 2024**

**DATED OCTOBER 24, 2024**

**THE TINLEY BEVERAGE COMPANY INC.**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON DECEMBER 6, 2024**

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (“**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of The Tinley Beverage Company Inc. (“**Tinley**” or “**Corporation**”) will be held at the offices of 181 Bay Street, Suite 1800, Toronto, Ontario M5J 2T9 on December 6, 2024 at 11:00 a.m. (Toronto time). The Meeting is being held for the following purposes, which are further described in the accompanying management information circular (“**Circular**”):

1. to receive the consolidated financial statements of the Corporation for the fiscal year ended December 31, 2023, together with the report of the auditors thereon;
2. fix the number of directors of the Corporation at six;
3. to elect directors of the Corporation for the ensuing year. For more information, see “Business of the Meeting — Election of Directors” in the Circular;
4. to re-appoint Zeifmans LLP as auditor of the Corporation for the ensuing year and to authorize the directors to fix the auditors’ remuneration. For more information, see “Business of the Meeting — Appointment of Auditor” in the Circular;
5. to consider and, if deemed advisable, to pass, with or without variation, a resolution ratifying, confirming and approving the amended and restated equity incentive plan of the Corporation and the unallocated entitlements issuable thereunder. For more information, see “Business of the Meeting — Ratification of Amended and Restated Equity Incentive Plan” in the Circular;
6. to consider and, if deemed advisable, pass, with or without variation, a special resolution authorizing an amendment to the articles (the “**Articles**”) of the Corporation to consolidate the issued and outstanding Common Shares at a ratio of between five (5) and fifteen (15) pre-consolidation Common Shares for every one post-consolidation Common Share, as and when determined by the board of directors of the Corporation. For more information, see “Business of the Meeting — Approval of Consolidation of Common Shares” in the Circular;
7. to consider and, if deemed advisable, to pass, with or without variation, a special resolution authorizing an amendment to the Articles to change the name of Tinley to “Beckett’s Inc.”, when determined by the board of directors of the Corporation. For more information, see “Business of the Meeting — Approval of Name Change” in the Circular; and
8. to transact such other business as may properly come before the Meeting or any adjournment thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the accompanying Circular under the section “**Matters to be Acted Upon**”. The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting is October 15, 2024 (“**Record Date**”). Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of, and to vote, at the Meeting or any adjournments or postponements thereof. The Circular is deemed to form part of this notice of meeting. Please read the Circular carefully before you vote on the matters being transacted at the Meeting.

**Notice-and-Access**

The Corporation is utilizing the notice-and-access mechanism (“**Notice-and-Access Provisions**”) under National Instrument 54-101 — Communication with Beneficial Owners of Securities of a Reporting Issuer and National Instrument 51-102 — Continuous Disclosure Obligations, for distribution of Meeting materials to registered and beneficial Shareholders.

### **Website Where Meeting Materials are Posted**

The Notice-and-Access Provisions allow reporting issuers to post electronic versions of proxy-related materials, such as the Circular and annual financial statements, (“**Proxy-Related Materials**”) on-line, via SEDAR+ (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the Circular, financial statements of the Corporation for the year ended December 31, 2023 (“**Financial Statements**”) and management’s discussion and analysis of the Corporation’s results of operations and financial condition for the year ended 2023 (“**MD&A**”) may be found on the Corporation’s SEDAR profile at <https://www.sedarplus.ca/landingpage/> and also on the Corporation’s transfer agent Odyssey Trust Company (“**OTC**”) website at <https://odysseytrust.com/client/tinleybeverage>. The Corporation will not use procedures known as “**stratification**” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to some Shareholders with this notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of the Circular nor the Financial Statements.

### **Obtaining Paper Copies of Materials**

The Corporation anticipates that using the Notice-and-Access Provisions for delivery to all Shareholders will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. Shareholders with questions about notice-and-access can call the Corporation’s transfer agent, OTC, toll-free at 888-290-1175 or directly at 1-587-885-0960. Shareholders may also obtain paper copies of the Proxy Related Materials free of charge by contacting OTC toll-free at 888-290-1175 or directly at 1-587-885-0960 or upon request to the Corporation.

A request for paper copies, which are required in advance of the Meeting, should be sent so that the request is received by the Corporation or OTC as applicable, by November 25, 2024 in order to allow sufficient time for Shareholders to receive the paper copies and to return their proxies or voting instruction forms to intermediaries before December 4, 2024 at 11:00 a.m. (Toronto time), being the date that is not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof.

### **Voting**

**All Shareholders are strongly encouraged to vote on the matters before the Meeting by proxy in the manner set out in the accompanying Circular. A registered Shareholder (each, a “Registered Shareholder”), or a non-registered Shareholder (each, a “Non-Registered Shareholder”) that has followed the instructions set out below and in their voting instruction form, may attend the Meeting in person or may be represented by proxy. Please see instructions set out below and in the accompanying Circular for instructions relating to how Registered Shareholders and Non-Registered Shareholders may vote in advance of the Meeting:**

#### **FORM OF PROXY FOR REGISTERED SHAREHOLDERS**

Completed proxies, for Registered Shareholders, must be returned to OTC, the Corporation’s transfer agent, (i) by mail to Odyssey Trust Company, 702-67 Yonge Street, Toronto, ON M5E 1J8; or (ii) by internet at <https://login.odysseytrust.com/pxlogin>, by 11:00 a.m. on December 4, 2024 (Toronto time), being the date that is not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof (“**Proxy Deadline**”).

#### **VOTING INSTRUCTION FORMS FOR NON-REGISTERED SHAREHOLDERS**

Non-Registered Shareholders, who have not waived the right to receive the Proxy-Related Materials will either: (i) receive a voting instruction form; or (ii) be given a proxy which has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed.

Non-Registered Shareholders should carefully follow the instructions that accompany the voting instruction form or the proxy, including those indicating when and where the voting instruction form or the proxy is to be delivered. Voting instructions must be deposited by the Proxy Deadline, however your voting instruction form may provide for an earlier date

in order to process your votes in a timely manner. Voting instruction forms permit the completion of the voting instruction form online or by telephone. A Non-Registered Shareholder wishing to attend and vote at the Meeting in person should follow the corresponding instructions on the voting instruction form or, in the case of a proxy, strike out the names of the persons named in the proxy and insert the Non-Registered Shareholder's name in the space provided.

**DATED** this 24<sup>th</sup> day of October, 2024.

BY ORDER OF THE BOARD OF DIRECTORS OF  
THE TINLEY BEVERAGE COMPANY INC.  
(signed) "*Larry Weintraub*"  
Chief Executive Officer

**THE TINLEY BEVERAGE COMPANY INC.  
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
MANAGEMENT INFORMATION CIRCULAR**

The Tinley Beverage Company Inc. (“**Corporation**”) is utilizing the notice-and-access mechanism (“**Notice-and-Access Provisions**”) under National Instrument 54-101 — *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 — *Continuous Disclosure Obligations* (“**NI 51-102**”) for distribution of this management information circular (“**Circular**”) to both registered and non-registered (or beneficial) holders (collectively, the “**Shareholders**”) of common shares of the Corporation. Further information on the Notice-and-Access Provisions is contained below under the heading “**General Proxy Information — Notice-and-Access**” and Shareholders are encouraged to read this information for an explanation of their rights.

**GENERAL INFORMATION RESPECTING THE MEETING**

This Circular is furnished to Shareholders of the Corporation in connection with the solicitation by and on behalf of the management of the Corporation of proxies to be used at the Annual and Special Meeting of Shareholders (the “**Meeting**”) of the Corporation to be held at the offices of 181 Bay Street, Suite 1800, Toronto, Ontario M5J 2T9 on December 6, 2024 commencing at 11:00 a.m. (Toronto time), and at any adjournment(s) or postponement(s) thereof, for the purposes set forth in the attached Notice of Annual Meeting of Shareholders (the “**Notice**”). All Shareholders are strongly encouraged to vote prior to the Meeting by any of the means described in their form of proxy. Changes to the Meeting date, time, location and/or means of holding the Meeting may be announced by way of press release. Please monitor the Corporation’s press releases for updated information. The Corporation does not intend to prepare or mail an amended Circular in the event of changes to the Meeting details, including date and location.

In this Circular, references to “**Corporation**”, “**we**” and “**our**” refer to The Tinley Beverage Company Inc. and “**Common Shares**” means common shares without par value in the capital of the Corporation. “**Beneficial Shareholders**” means Shareholders who do not hold Common Shares in their own name and “**intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

**All amounts referred to in this Circular are presented in Canadian dollars, unless otherwise noted.**

**GENERAL PROXY INFORMATION**

**Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Corporation. The Corporation may retain other persons or companies to solicit proxies on behalf of management in which event customary fees for such services will be paid. The Corporation will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders held by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

**Appointment of Proxy Holders**

The individuals named in the accompanying form of proxy (“**Proxy**”) are officers of the Corporation. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or Corporation other than either of the persons designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy (and striking out the names now designated) or by completing and delivering another suitable form of proxy.** For instructions regarding the delivery of instruments of proxy, see below under the heading “*Registered Shareholders*”.

**Voting by Proxy Holder**

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified;

- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is NOT specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy FOR the approval of such matter. Management is not currently aware of any other matter that could come before the Meeting.

### Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by (i) completing, dating and signing the enclosed Proxy and returning it to the Corporation's transfer agent, Odyssey Trust Company ("OTC"), 702-67 Yonge Street, Toronto, ON M5E 1J8; or (ii) by internet at <https://login.odysseytrust.com/pxlogin>, not less than forty-eight (48) hours, excluding Saturdays, Sundays or statutory holidays in the Province of Ontario, before the time set for the holding of the Meeting or any adjournment(s) thereof.

### Beneficial Shareholders

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. **Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Corporation as the registered holders of Common Shares).**

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 names of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

**If you are a Beneficial Shareholder:** You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**"). Broadridge mails a voting instruction form in lieu of a Proxy provided by the Corporation. The voting instruction form will name the same persons as the Corporation's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Shareholder of the Corporation), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should follow the instructions on the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting - the voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you to do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your Common Shares.

### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a Shareholder who has given a proxy may revoke it by executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to OTC, by mail Odyssey Trust Company, 702-67 Yonge Street, Toronto, ON M5E 1J8; or by internet at <https://login.odysseytrust.com/pxlogin>; or hand delivery to at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

### **Notice and Access**

As noted in the Notice, the Corporation is utilizing the Notice-and-Access Provisions under NI 54-101 and NI 51-102 for distribution to this Circular to all registered Shareholders and Non-Registered Shareholders.

The Notice-and-Access Provisions allow reporting issuers to post electronic versions of proxy-related materials, such as proxy, the Circulars and annual financial statements, ("**Proxy-Related Materials**") on-line, via SEDAR+ ("**SEDAR**") and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the Circular, financial statements of the Corporation for the year ended December 31, 2023 ("**Financial Statements**") and management's discussion and analysis of the Corporation's results of operations and financial condition for 2023 ("**MD&A**") may be found on the Corporation's SEDAR profile at <https://www.sedarplus.ca/landingpage/> and also on OTC's web site <https://odysseytrust.com/client/tinleybeverage/>. The Corporation will not use procedures known as "**stratification**" in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of this Circular to some Shareholders with the notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of this Circular. **Shareholders are reminded to review this Circular before voting.**

Although this Circular, the Financial Statements and the MD&A will be posted electronically on-line as noted above, Shareholders will receive paper copies of a "**notice package**" via prepaid mail containing the Notice with information prescribed by NI 54-101 and NI 51-102, a form of proxy or voting instruction form, and supplemental mail list return card for Shareholders to request they be included in the Corporation's supplementary mailing list for receipt of the Financial Statements and the MD&A.

The Corporation anticipates that relying on the Notice-and-Access Provisions will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

Shareholders with questions about the Notice-and-Access can call the Corporation's transfer agent, OTC at 1-888-290-1175. Shareholders may also obtain paper copies of Proxy Related Material free of charge by contacting OTC at 1-888-290-1175; or upon request to the Corporation.

A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Corporation or OTC, as applicable, by November 25, 2024 in order to allow sufficient time for Shareholders to receive their paper copies and to return a) their form of proxy to the Corporation or OTC, or b) their voting instruction form to their intermediaries by the Proxy Deadline.

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

No person who has been a director or executive officer of the Corporation since the beginning of the last financial year and no associate or affiliate of any such director or executive officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

In accordance with the provisions of the *Business Corporations Act* (Ontario) (the “**OBCA**”), the Corporation will prepare a list of the holders of Common Shares at the close of business on October 15, 2024 (“**Record Date**”). Each holder of Common Shares named on the list will be entitled to vote the Common Shares shown opposite his, her or its name on the list at the Meeting or at any adjournment thereof, either in person or by proxy.

As of the Record Date, the Corporation had 363,301,470 issued and outstanding Common Shares. Each common share carries the right to one vote. The Common Shares are listed and posted for trading on the Canadian Securities Exchange (“**CSE**”) under the symbol “**TNY**” and on the OTCQB under the symbol “**TNYBF**”.

To the knowledge of the directors and executive officers of the Corporation, as at the Record Date, the only persons who beneficially own, or control or direct, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to the Common Shares are as follows:

Name	Number of Common Shares Owned (Percentage of Class and Type of Ownership)	
	Common Shares	Percentage of Voting Rights
Press Media LLC <sup>(1)</sup>	52,800,000 <sup>(3)</sup>	14.53%
Blaze Life Holdings, LLC <sup>(2)</sup>	66,838,425 <sup>(3)</sup>	18.40%

**Note:**

- (1) Each of Anthony Yanow, Paul Burgis and Shreyas Balakrishnan hold minority equity interests in Press Media, LLC.
- (2) Paul Burgis exercises control and direction over the Common Shares held by Blaze Life Holdings, LLC (“**BLH**”).
- (3) Based upon information available on the public record.

### QUORUM

A quorum for any meeting of Shareholders shall be two individuals present in person, each of who is either a Shareholder or the proxyholder of such a Shareholder appointed by means of a valid proxy, holding or representing by proxy not less than 5% of the total number of the issued Common Shares. No business shall be transacted at any meeting unless the requisite quorum is presented at the time of the transaction of business. If a quorum is not present at the time appointed for a meeting of Shareholders or within such reasonable time thereafter as the Shareholders present may determine, the persons present and entitled to vote may adjourn the meeting to a fixed time and place but may not transact any other business and the provisions of this by-law with regards to notice shall apply to such adjournment.

### MATTERS TO BE ACTED ON AT THE MEETING

#### 1. Election of Directors

The articles of incorporation of the Corporation provide that the Board of Directors (the “**Board**”) shall consist of a minimum of one and a maximum of ten directors. There are currently five directors on the Board and the Corporation will be asking shareholders to fix the number of directors at six.

Management proposes that each of the persons named below be nominated at the Meeting for re-election or election, as the case may be, as directors of the Corporation to serve, until the next annual meeting of Shareholders or until their successor is elected or appointed. Management does not contemplate that any of the nominees will be unable to serve as a director.

**HOWEVER, IF A NOMINEE SHOULD BE UNABLE TO SO SERVE FOR ANY REASON PRIOR TO THE MEETING, THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY RESERVE THE RIGHT TO VOTE FOR ANOTHER NOMINEE IN THEIR DISCRETION. SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED FOR THE ELECTION OF ALL OF THE NOMINEES WHOSE NAMES ARE SET FORTH BELOW, UNLESS A SHAREHOLDER HAS SPECIFIED IN HIS PROXY THAT HIS SHARES ARE TO BE WITHHELD FROM VOTING ON THE ELECTION OF DIRECTORS.**

The following table and the notes thereto state the names of all persons to be nominated for election as directors, all other positions or offices with the Corporation now held by them, their principal occupations of employment, the year in which they became directors for the Corporation, the approximate number of Common Shares beneficially owned, or controlled or



directed, directly or indirectly, by each of them, as of the date hereof, and the number of options to acquire Common Shares held by each of them as of the date hereof. Management has been informed that each of the proposed nominees listed below is willing to serve as a director if elected.

Name and Municipality of Residence	Present Principal Occupation <sup>(1)</sup>	Year first became director	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>
Theodore Zittell <sup>(2)(3)(4)</sup> Toronto, Ontario, Canada	Brand & Retail Consultant	2016	7,678,470
David Ellison <sup>(3)(5)</sup> Toronto, Ontario, Canada	Lawyer and owner of Scarlet Fire Cannabis Co.	2016	125,000
Paul Burgis <sup>(2)(6)</sup> Los Angeles, California, USA	Principal of Blaze Life Holdings, LLC	2022	66,838,425
Anthony Yanow <sup>(2)(3)(7)</sup> Los Angeles, California, USA	Retail Executive and Entrepreneur	2022	19,354,217
Shreyas Balakrishnan <sup>(8)</sup> Los Angeles, California, USA	Chief Executive Officer, Blaze Life Holdings, LLC	2024	Nil
Larry Weintraub Los Angeles, California, USA	Chief Executive Officer	N/A	Nil

Notes:

- (1) Information supplied by nominees and does not include shares issuable upon exercise of other convertible securities.
- (2) Member of the Audit Committee.
- (3) Member of the Corporate Governance, Compensation and Nominating Committee.
- (4) Mr. Zittell holds 6,328,470 of his Common Shares through Ted Zittell & Associates Inc., a corporation over which Mr. Zittell exercises control and direction.
- (5) Mr. Ellison holds all of his Common Shares through Maajic Management Inc., a corporation wholly owned by Mr. Ellison.
- (6) Mr. Burgis holds all of his Common Shares through BLH, a corporation over which Mr. Burgis exercises control and direction.
- (7) Mr. Yanow holds 18,137,360 of his Common Shares through 1000955970 Ontario Inc., a corporation wholly owned by Mr. Yanow.
- (8) Mr. Balakrishnan was appointed to the Board in January 2024 to fill the vacancy resulting from the resignation of Kirsten Chapman in March 2023.

Set forth below is a description of the principal occupation of each of the Board nominees during the past five years:

***Theodore Zittell — Director Nominee and Chairman of the Board***

Mr. Zittell was previously Chief Executive Officer of the Corporation until he stepped down on May 17, 2024 in connection with the appointment of Larry Weintraub as the Corporation's new Chief Executive Officer. Mr. Zittell consults internationally to market leading retail and product companies; he specializes in food and beverage, branding and marketing communications, and in the design of retail experience. His executive-level engagements include advising leading private equity and investment groups on consumer product, service and retail portfolio opportunities.

***David Ellison — Director Nominee***

Mr. Ellison is the founder, owner and operator of Scarlet Fire Cannabis Co, a retail cannabis store located in Toronto. Scarlet Fire Cannabis Co, exclusively focuses on the retail sales of craft, small batch grown, micro-grow and organic cannabis. Mr. Ellison and Scarlet Fire have been featured in numerous media publications such as The Toronto Star, Forbes Magazine, Skunk Magazine and Benzinga, and Scarlet Fire has earned the reputation of being a connoisseur's cannabis store. Prior to founding Scarlet Fire, David practiced law for 20 years and was a principal at and founder of Acuity Corporate Securities Lawyers in Toronto. As a corporate and securities lawyer, Mr. Ellison was frequently engaged to provide capital markets, legal and operational services to US-based cannabis cultivators, processors and extractors. Mr. Ellison also worked in the International Structured Finance Group at the London, UK office of Clifford Chance LLP. In addition to his work with Scarlet Fire, Mr. Ellison operates a rural law practice in Southwest Ontario.

***Paul Burgis — Director Nominee***

Mr. Burgis spent the first eight years of his career at Anheuser-Busch, where he earned operational expertise while rising

through the ranks and eventually serving as Plant Controller. While earning his MBA at UCLA's Anderson School of Business, Paul met the founders of a Los Angeles' craft brewery start-up, Golden Road. In 2012, Paul joined Golden Road Brewing as General Manager and later COO/CFO. Paul facilitated the sale of Golden Road to Anheuser-Busch in 2015, and maintained triple digit growth post acquisition. Paul previously served on the Craft Advisory Board for The Brewers Collective, the craft business unit of Anheuser-Busch. In 2017, Paul co-founded BLH - recognizing the opportunity to develop a sophisticated, vertically integrated cannabis business that operationally parallels the craft brewing and brew pub scene - but in a new and rapidly growing industry. The BLH group comprises ILLA Canna (cultivation facility and retail locations), SuLo Distro (full-service cannabis distributor with beverage capabilities), and Delta Bev (cannabis manufacturing).

***Anthony (Tony) Yanow — Director Nominee***

Mr. Yanow has been a substantial force in Los Angeles craft beer and hospitality scene back in 2010 when he reopened a 40 year old dive bar in Burbank, CA - serving only California craft beers on tap along with largely vegan fare. Over the last 15 years, Tony has owned and opened more than 15 bars, breweries, restaurants and brewpubs mostly in the Los Angeles Area. In 2011, Tony co-founded Los Angeles' Golden Road Brewing which quickly became Los Angeles' largest Craft Brewery. Golden Road was acquired by Anheuser-Busch in 2015. A Canadian native, Tony is based in Southern California.

***Shreyas Balakrishnan — Director Nominee***

Mr. Balakrishnan is the Chief Executive Officer of the Company's strategic partner, BLH. Prior to joining BLH, Mr. Balakrishnan spent almost 20 years with Anheuser-Busch (AB) InBev (NYSE: BUD), last serving as President of Cutwater Spirits. Mr. Balakrishnan also helmed Anheuser-Busch's Elysian Brewing Co. as President and General Manager, where he successfully planned and executed the national expansion of the regional, Seattle-based brand. He also held key leadership positions across Anheuser-Busch brewing and distribution operations, as well as leading integration for the North American acquisitions.

***Larry Weintraub — Chief Executive Officer, Director Nominee***

Mr. Weintraub was appointed as Chief Executive Officer of the Corporation on May 17, 2024 and is a marketing executive and entrepreneur. In 1999, Weintraub co-founded Fanscape, the first social media marketing agency, which he ran as CEO until its sale to advertising giant, Omnicom in 2014. Following the sale, Weintraub assumed the role of chief innovation officer within Omnicom's creative agency, TMA (The Marketing Arm), where he worked brands including Samsung, Frito Lay, Uber, State Farm, US Army, and P&G. Weintraub remained with Omnicom until 2023, when he formed his own CEO consultancy, Great Gig Strategy.

**Corporate Cease Trade Orders or Bankruptcies**

To the best of the Corporation's knowledge, no existing or proposed director is, at the date of the Circular, or has been, within the 10 years prior to the date of the Circular, a director or chief executive officer or chief financial officer of any Corporation (including the Corporation) that, while that person was acting in that capacity,

- (a) was subject to an order that was issued while the proposed director was acting in the capacity of director, chief executive officer or chief financial officer; or
- (b) 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.

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

- (i) a cease trade order;
- (ii) an order similar to a cease trade order; or
- (iii) an order that denied the relevant Corporation access to any exemption under securities legislation,

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

To the Corporation's knowledge, no existing or proposed director of the Corporation is or has been, within the 10 years before the date of this Circular, a director or executive officer of any Corporation that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the Corporation's knowledge, no existing or proposed director of the Corporation has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that person.

**COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF THE MANAGEMENT NOMINEES WILL BE VOTED FOR EACH OF THE PROPOSED NOMINEES UNLESS A SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES.**

## **2. Re-Appointment of Auditors**

Shareholders will be asked to approve the appointment of Zeifmans LLP ("**Zeifmans**"), as auditors of the Corporation at remuneration to be fixed by the directors of the Corporation. Zeifmans were first appointed as the auditors of the Corporation at the Shareholders' meeting held on March 2, 2020. Management recommends the appointment of Zeifmans LLP, of Toronto, Ontario, as auditor of the Corporation to hold office until the close of the next annual meeting of the Shareholders, or until their successor is appointed by the Board.

**COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF THE MANAGEMENT NOMINEES WILL BE VOTED FOR OF THE APPOINTMENT OF ZEIFMANS LLP AS AUDITOR OF THE CORPORATION AND AUTHORIZING THE DIRECTORS OF THE CORPORATION TO FIX THEIR REMUNERATION, UNLESS A SHAREHOLDER HAS SPECIFIED IN HIS PROXY THAT HIS SHARES ARE TO BE WITHHELD FROM VOTING ON THE APPOINTMENT OF AUDITORS.**

## **3. Ratification of Amended and Restated Equity Incentive Plan**

It is important for the Corporation to be able to compensate its directors, officers, employees and consultants at a level and in a manner that ensures that they are motivated and that their interests are aligned with those of the Corporation and its Shareholders. Accordingly, it is proposed that the Shareholders ratify, confirm and approve the Corporation's existing equity incentive plan (the "**Equity Incentive Plan**") dated September 15, 2022 and attached hereto as Schedule "B" in accordance with the policies of the CSE, which Equity Incentive Plan was previously approved by Shareholders at the Corporation's annual and special meeting of Shareholders held on October 27, 2022.

### **Summary of the Equity Incentive Plan**

The Equity Incentive Plan permits the granting of certain Awards, including: (i) Non-Qualified Share Options and Incentive Share Options (collectively with the Qualified Share Options, "**Options**"), (ii) SARs, (iii) Restricted Shares, (iv) RSUs, (v) Performance Awards, (vi) Dividend Equivalents and (vii) Other-Share Based Awards (collectively, the "**Awards**"). Awards are granted by either the Board or the Corporate Governance, Compensation and Nomination Committee of the Board.

The equity-based component of Awards compensation is intended to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation to remain associated with the Corporation and providing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs. The purpose of the Equity Incentive Plan is to, among other things, 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 Equity Incentive 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 Corporation Shares as long-term investments and proprietary interests in the Corporation. The Board reviews management's recommendations and awards under the Equity Incentive Plan are granted

according to the specific level of responsibility of the particular executive and the number of Options for each level of responsibility is determined by the Board.

The Equity Incentive Plan is a rolling plan which, subject to the adjustment provisions provided for therein (including a subdivision or consolidation of Corporation Shares). Pursuant to the policies of the CSE, the Corporation is required to obtain Shareholder approval of the Equity Incentive Plan because the number of Common Shares that may be reserved for issue and which can be purchased upon the exercise of all Awards granted under the Equity Incentive Plan is variable at 20% of the number of outstanding Common Shares, or 72,660,294 Common Shares based on the Corporation's currently issued and outstanding number of Common Shares.

The aggregate number of Common Shares issuable to Related Persons pursuant to Awards granted and all other security based compensation arrangements, at any time, shall not exceed 10% of the total number of Common Shares then outstanding. The aggregate number of Corporation Shares issued to Related Persons pursuant to Awards and all other security based compensation arrangements, within a one-year period, shall not exceed 10% of the total number of Common Shares then outstanding. The total number of Common Shares which may be issued or issuable to any one Related Person and the associates of the Related Person under the Equity Incentive Plan and all other security based compensation arrangements within any one-year period shall not exceed 5% of the Common Shares then outstanding.

#### *Administration of the Equity Incentive Plan*

The Equity Incentive Plan is administered by the Corporate Governance, Compensation and Nomination Committee. The Corporate Governance, Compensation and Nomination Committee has full power and authority to designate Participants, the types of awards, 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 Common Shares to be covered by any award, the exercise price of any award, whether restrictions or limitations are to be imposed on the Common Shares issuable pursuant to grants of any award, and the nature of any such restrictions or limitations, any acceleration of exercisability or vesting, any terms relating to any forfeiture of awards, or waiver of termination regarding any award, based on such factors as the Corporate Governance, Compensation and Nomination Committee may determine.

In addition, the Corporate Governance, Compensation and Nomination Committee interprets the Equity Incentive Plan and may adopt guidelines and other rules and regulations relating to the Equity Incentive Plan, and make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Equity Incentive Plan.

#### *Eligibility*

Any Eligible Person shall be eligible to be designated as a Participant. In determining which Eligible Persons shall receive an Award and the terms of any Award, the Committee may take into account the nature of the services rendered by the respective Eligible Persons, their present and potential contributions to the success of and/or such other factors as the Committee, in its discretion, shall deem relevant. The basis of participation of an individual under the Equity Incentive Plan, and the type and amount of any Award that an individual will be entitled to receive under the Equity Incentive Plan, will be determined by the Corporate Governance, Compensation and Nomination Committee based on its judgment as to the best interests of the Corporation and its Shareholders, and therefore cannot be determined in advance. Notwithstanding the foregoing, an Incentive Share Option may only be granted to full-time or part-time employees (which term, as used herein, includes, without limitation, officers and directors who are also employees), and an Incentive Share Option shall not be granted to an employee of an Affiliate unless such Affiliate is also a "subsidiary corporation" of within the meaning of Section 424(f) of the *U.S. Internal Revenue Code* of 1986 or any successor provision.

If a Participant ceases to be an Eligible Person for any reason, whether for cause or otherwise, the Participant may, within 90 days following the date on which it ceased to be an Eligible Person, or within 30 such days if such Participant is an investor relations person or holder of Incentive Share Options, exercise any Option that was exercisable on the date the Participant ceased to be an Eligible Person. The Corporate Governance, Compensation and Nomination Committee may extend such 90 or 30 day period, as applicable, subject to obtaining any approval required by the CSE and subject to a maximum extension to the original expiry date of such Options. Any Option that was not exercisable on the date the Participant ceased to be an Eligible Person will be deemed to expire on such date, unless extended pursuant to the Equity Incentive Plan. Any Option that was exercisable on the date the Participant ceased to be an Eligible Person will be deemed to expire immediately following the 90 or 30 day period, as applicable, unless extended pursuant to the Equity Incentive Plan.

### ***Shareholder Approval of the Equity Incentive Plan***

The CSE requires that a rolling/evergreen equity incentive plan, such as the Corporation's Equity Incentive Plan, and the unallocated entitlements available thereunder are required to be approved by shareholders within three years of institution, and within every three years thereafter. Accordingly, at the Meeting Shareholders will be asked to consider, and if deemed advisable, to pass, with or without variation, a resolution ("**Equity Incentive Plan Resolution**") ratifying the Equity Incentive Plan. Assuming the Equity Incentive Plan is ratified by Shareholders at the Meeting, the Equity Incentive Plan will need to be subsequently ratified no later than December 6, 2027. The text of the resolution proposed to be submitted to Shareholders at the Meeting is set out below.

#### **EQUITY INCENTIVE PLAN RESOLUTION**

1. The amended and restated equity incentive option plan (the "**Plan**") of The Tinley Beverage Company Inc. (the "**Corporation**"), the full text of which is attached as Schedule "B" to the Management Information Circular of the Corporation dated October 24, 2024 is hereby ratified, confirmed and approved.
2. All unallocated awards under the Plan are hereby ratified, confirmed and approved.
3. In accordance with the policies of the Canadian Securities Exchange (the "**CSE**"), the Corporation shall have the ability to continue to grant awards under the Plan until December 6, 2027, which is the date that is three years from the date of the shareholders' meeting at which shareholder approval is being sought and the date by which the Company must obtain further shareholder approval of the Plan.
4. Any officer or director of the Corporation is authorized, for and on behalf of the Corporation, to execute and deliver such documents and instruments and to take such other actions as such officer or director may determine to be necessary or advisable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents or instruments and the taking of any such actions.

In order to be passed, the Equity Incentive Plan Resolution requires the approval of a majority of the votes cast thereon by Shareholders of the Corporation present in person or represented by proxy at the Meeting.

**The Board recommends that Shareholders vote FOR the Equity Incentive Plan Resolution. Proxies in favour of management's nominees will be voted FOR the approval of the Equity Incentive Plan Resolution in the absence of direction to the contrary from the Shareholders appointing them.**

#### **4. Approval of Consolidation of Common Shares**

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve the special resolution in the form set out below (the "**Consolidation Resolution**") to allow the Company to amend its articles in order to consolidate its issued and outstanding Common Shares (the "**Share Consolidation**") at a ratio of between five (5) and fifteen (15) pre-consolidation Common Shares for every one (1) post-consolidation Common Share, as may be determined by the Board in its sole discretion (the "**Consolidation Ratio**").

In addition to the requirement that Shareholders approve the Consolidation Resolution, the approval of the Consolidation Resolution by Shareholders would give the Board the authority to implement the Share Consolidation and to determine the exact Consolidation Ratio, in its sole discretion, at any time within one year of the date of Shareholder approval of the Consolidation Resolution. Notwithstanding the foregoing, even if the Share Consolidation Resolution is approved by Shareholders at the Meeting, the Board may elect to revoke the Share Consolidation Resolution and abandon the Share Consolidation without prior approval of, or notice to, Shareholders.

#### ***Principal Reasons for Effecting the Share Consolidation***

The Board believes that it is in the best interests of the Company to have the authority to implement the Share Consolidation for the following reasons:

- (i) *Increased investor interest.* A higher post-consolidation share price could help generate interest in the Company among new and existing investors. While decreasing the number of Common Shares outstanding may not, by itself, affect the marketability of the Common Shares, in practice many investors, including institutional investors and investment funds, consider low-priced shares as unduly speculative in nature and, as a matter of policy, avoid investments in such shares. As a result, a higher anticipated share price may meet investing guidelines for certain investors that are currently prevented under their investing guidelines from investing in the Common Shares at current price levels, and may allow such investors to leverage their investment by meeting margin eligibility requirements;
- (ii) *Reduction of Shareholder transaction costs.* Shareholders may benefit from relatively lower trading costs associated with a higher share price. In circumstances where commissions are based on the number of shares traded, investors pay lower commissions to trade a fixed value of shares where the per share price is higher; and
- (iii) *Improved liquidity.* The aggregate potential effect of increased interest from investors and potentially lower transaction costs could ultimately improve the trading liquidity of the shares.

There can be no assurance that any increase in the market price per Common Share or improved liquidity would result from the proposed Share Consolidation.

### ***Principal Effects of the Share Consolidation***

The principal effects of the Share Consolidation would be:

- (i) *Reduction in the number of Common Shares outstanding.* The number of Common Shares issued and outstanding will be reduced from 363,301,470 Common Shares (as of the date of this Circular) to between approximately 72,660,294 and 24,220,098, depending on the Consolidation Ratio selected by the Board; and
- (ii) *Adjustments to the outstanding options and common share purchase warrants of the Company.* The exercise price and the number of Common Shares issuable under the Company's outstanding options and common share purchase warrants will be proportionately adjusted, based on the Consolidation Ratio selected by the Board, with any fraction rounded down to the nearest whole number.

The Board believes that Shareholder approval of a range of potential Consolidation Ratios (rather than a single Consolidation Ratio) would provide the Board with maximum flexibility to react to then-current market conditions and achieve the desired results of the Share Consolidation. If the Consolidation Resolution is approved, the Share Consolidation would be implemented, if at all, only upon a determination by the Board that it is in the best interests of the Company at that time. In connection with any determination to implement the Share Consolidation, the Board will set the timing for such Share Consolidation and select the specific Consolidation Ratio from within the range of ratios set forth in the Consolidation Resolution, subject to receipt of all necessary regulatory approvals, including the approval of the CSE. The selection by the Board of the specific ratio would be based primarily on the price level of the Common Shares at that time and the expected stability of that price level. No further action on the part of Shareholders would be required in order for the Board to implement the Share Consolidation.

The Share Consolidation will not materially affect any Shareholder's proportionate voting rights. Each Common Share outstanding after the Share Consolidation will be fully paid and non-assessable and will entitle the holder to one vote per Common Share.

If approved and implemented, the Share Consolidation will occur simultaneously for all the Common Shares and the Consolidation Ratio will be the same for all the Common Shares. Except for any variances attributable to fractional shares, the change in the number of issued and outstanding Common Shares that will result from the Share Consolidation will cause no change in the capital attributable to the Common Shares and will not materially affect any Shareholder's percentage ownership in the Company, even though such ownership will be represented by a smaller number of Common Shares. Any fractional Common Shares resulting from the Share Consolidation will be rounded down to the nearest whole number and any such fractional interest will be cancelled without consideration.

***Certain Risks Associated with the Share Consolidation***

The effect of the Share Consolidation upon the market price of the Common Shares cannot be predicted with certainty, and the history of share consolidations for corporations similar to the Company is varied. Certain risks associated with the Share Consolidation are as follows:

***The Company's total market capitalization immediately after the proposed Share Consolidation may be lower than immediately before the proposed Share Consolidation***

There are numerous factors and contingencies that could affect the Common Share price prior to or following the Share Consolidation, including the status of the market for the Common Shares at the time, the status of the Company's reported financial results in future periods, and general economic, geopolitical, stock market and industry conditions. Accordingly, the market price of the Common Shares may not be sustainable at the direct arithmetic result of the Share Consolidation and may be lower.

***A decline in the market price of the Common Shares after the Share Consolidation may result in a greater percentage decline than would occur in the absence of a consolidation, and liquidity could be adversely affected following such consolidation***

If the Share Consolidation is implemented and the market price of the Common Shares declines, the percentage decline may be greater than would occur in the absence of the Share Consolidation. The market price of the Common Shares will, however, also be based on the Company's performance and other factors, which are unrelated to the number of Common Shares outstanding.

While the Board believes that a higher share price may provide the benefits described above, the Share Consolidation may not result in a share price that will attract institutional investors or investment funds. As a result, the liquidity of the Common Shares may not improve after giving effect to the Consolidation.

Furthermore, the liquidity of the Common Shares could be adversely affected by the reduced number of Common Shares that would be outstanding after the Share Consolidation.

***The Share Consolidation may result in some Shareholders owning "odd lots" of less than 100 Common Shares on a post-consolidation basis, which may be more difficult to sell, or require greater transaction costs per share to sell***

The Share Consolidation may result in some Shareholders owning "odd lots" of less than 100 Common Shares on a post-consolidation basis. "Odd lots" may be more difficult to sell, or require greater transaction costs per Common Share to sell, than Common Shares held in "board lots" of even multiples of 100 Common Shares.

***Procedure for Implementing the Share Consolidation***

If the Share Consolidation Resolution is approved by Shareholders and the Board decides to implement the Share Consolidation, subject to CSE approval, the Company will file articles of amendment with the Director appointed under the OBCA in the form prescribed by the OBCA to amend the Company's articles. The Share Consolidation will become effective on the date shown in the certificate of amendment issued by the Director appointed under the OBCA or such other date indicated in the articles of amendment.

***Effect on Share Certificates***

If the proposed Share Consolidation is approved by Shareholders and implemented, registered Shareholders will be required to exchange their share certificates representing pre-consolidation Common Shares for new share certificates representing post-consolidation Common Shares. Following the announcement by the Company of the Consolidation Ratio selected by the Board the effective date of the Share Consolidation, registered Shareholders will be provided with a letter of transmittal by the Company's transfer agent, OTC., to be used for the purpose of surrendering their certificates representing the then outstanding Common Shares to such transfer agent in exchange for new share certificates representing Common Shares after giving effect to the Share Consolidation. After the Share Consolidation, share certificates representing pre-consolidation Common Shares will: (i) not constitute good delivery for the purposes of trades of Common Shares post-consolidation; and (ii) be deemed for all purposes to represent the number of Common Shares to which the shareholder is entitled as a result of the Share Consolidation. No delivery of a new share certificate to a Shareholder will be made until the Shareholder surrenders

its certificates representing the pre-consolidation Common Shares along with the letter of transmittal to the registrar and transfer agent of the Company in the manner detailed therein.

***Effect on Non-Registered Holders***

Non-Registered Beneficial Holders holding their Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have specific procedures for processing the Share Consolidation. If you hold your Common Shares with such a bank, broker or other nominee and if you have any questions in this regard, you are encouraged to contact your nominee.

***No Dissent Rights***

Under the OBCA, Shareholders do not have dissent and appraisal rights with respect to the proposed Share Consolidation.

***Shareholder Approval of Consolidation Resolution***

In order to be adopted, the OBCA requires that the Consolidation Resolution be approved by a special resolution of the Shareholders, being a majority of not less than two-thirds of the votes cast by Shareholders present in person or by proxy at the Meeting. The text of the Consolidation Resolution to be submitted to shareholders at the Meeting is set forth below:

**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. The Tinley Beverage Company Inc. (the “**Company**”) is hereby authorized to amend its articles to provide that:
  - a) the authorized capital of the Company is altered by consolidating all of the issued and outstanding common shares of the Company without par value on the basis of a consolidation ratio to be selected by the Company’s board of directors, in its sole discretion, provided that (i) the ratio may be no smaller than one post-consolidation common share for every five (5) pre-consolidation common shares and no larger than one post-consolidation common share for every fifteen (15) pre-consolidation common shares, and (ii) the number of pre-consolidation common shares in the ratio must be a whole number of common shares (the “**Consolidation Ratio**”);
  - b) in the event that the consolidation would otherwise result in the issuance of a fractional share, no fractional share shall be issued and such fraction will be rounded down to the nearest whole number; and
  - c) the effective date of such consolidation shall be the date shown in the certificate of amendment issued by the Director appointed under the OBCA or such other date indicated in the articles of amendment provided that, in any event, such date shall be on any date prior to the date that is one year from the date of approval of this special resolution by shareholders;
2. the board of directors of the Company is hereby authorized to determine the Consolidation Ratio within the parameters prescribed in 1(a) above;
3. any officer or director of the Company is hereby authorized for and on behalf of the Company to execute, deliver and file all such documents, whether under the corporate seal of the Company or otherwise, and to do and perform all such acts or things as may be necessary or desirable in order to give effect to the foregoing special resolution, including, without limitation, the determination of the effective date of the consolidation and the delivery of articles of amendment in the prescribed form to the Director appointed under the OBCA, the execution, delivery or filing of any such document or the doing of any such act or thing being conclusive evidence of such determination; and
4. notwithstanding the foregoing, the directors of the Company are hereby authorized, without further approval of or notice to the shareholders of the Company, to revoke this special resolution at any time before a certificate of amendment is issued by the Director appointed under the OBCA.



**The Board recommends that Shareholders vote FOR the Consolidation Resolution. Proxies in favour of management's nominees will be voted FOR the approval of the Consolidation Resolution in the absence of direction to the contrary from the Shareholders appointing them.**

## **5. Approval of Name Change**

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve the special resolution in the form set out below (the "**Name Change Resolution**") to allow the Company to amend its articles in order to change its name to "Beckett's Inc., subject to regulatory approval. In connection with the Name Change, the Corporation has applied to change its trading symbol on the CSE from "TNY" to "BKTS".

In addition to the requirement that Shareholders approve the Name Change Resolution, approval of the Name Change Resolution by Shareholders would give the Board the authority to implement the Name Change in its sole discretion, at any time within one year of the date of Shareholder approval of the Name Change Resolution. Notwithstanding the foregoing, even if the Name Change Resolution is approved by Shareholders at the Meeting, the Board may elect to revoke the Name Change Resolution and abandon the Name Change without prior approval of, or notice to, Shareholders.

### *No Dissent Rights*

Under the OBCA, Shareholders do not have dissent and appraisal rights with respect to the proposed Name Change.

### *Shareholder Approval of Name Change*

In order to be adopted, the OBCA requires that the Name Change Resolution be approved by a special resolution of the Shareholders, being a majority of not less than two-thirds of the votes cast by Shareholders present in person or by proxy at the Meeting. The text of the Name Change Resolution to be submitted to shareholders at the Meeting is set forth below:

#### **BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. The Tinley Beverage Company Inc. (the "**Company**") is hereby authorized to amend its articles to change its name from "The Tinley Beverage Company Inc." to "Beckett's Inc.", subject to regulatory approval:
2. any officer or director of the Company is hereby authorized for and on behalf of the Company to execute, deliver and file all such documents, whether under the corporate seal of the Company or otherwise, and to do and perform all such acts or things as may be necessary or desirable in order to give effect to the foregoing special resolution, including, without limitation, the determination of the effective date of the consolidation and the delivery of articles of amendment in the prescribed form to the Director appointed under the OBCA, the execution, delivery or filing of any such document or the doing of any such act or thing being conclusive evidence of such determination; and
3. notwithstanding the foregoing, the directors of the Company are hereby authorized, without further approval of or notice to the shareholders of the Company, to revoke this special resolution at any time before a certificate of amendment is issued by the Director appointed under the OBCA.

**The Board recommends that Shareholders vote FOR the Name Change Resolution. Proxies in favour of management's nominees will be voted FOR the approval of the Name Change Resolution in the absence of direction to the contrary from the Shareholders appointing them.**

## **EXECUTIVE COMPENSATION**

Securities laws require that a "Statement of Executive Compensation" in accordance with Form 51-102F6V be included in this Circular. Form 51-102F6V prescribes the disclosure requirements in respect of the compensation of executive officers and directors of reporting issuers. Form 51-102F6V provides that compensation disclosure must be provided for the Chief Executive Officer and the Chief Financial Officer of an issuer and the issuer's most highly compensated executive officer whose total compensation exceeds \$150,000. Based on these requirements, the executive officers of the Corporation for whom disclosure is required under Form 51-102F6V are Theodore Zittell (former Chief Executive Officer), Manish Kshatriya (Chief Financial Officer), Douglas Fulton (former member of Office of the CEO) and Richard Gillis (former member of Office of the CEO), who are collectively referred to as the "**Named Executive Officers**" or "**NEO's**".

SUMMARY COMPENSATION TABLE							
Name and Principal Position of Named Executive Officer	Year	Salary	Option- Based Awards	Non-Equity Incentive Plan Compensation		All Other Compensation	Total Compensation
				Annual Incentive Plans	Long-Term Incentive Plans		
Theodore Zittell <sup>(1)(3)</sup> Former Chief Executive Officer	2023	\$216,000	\$63,000	N/A	N/A	\$Nil	\$279,000
	2022	\$181,000	\$128,143	N/A	N/A	\$Nil	\$309,143
Manish Kshatriya Chief Financial Officer <sup>(3)</sup>	2023	\$180,000	\$92,414	N/A	N/A	\$Nil	\$272,414
	2022	\$145,000	\$95,084	N/A	N/A	\$Nil	\$240,084
Douglas Fulton <sup>(1)(2)</sup> Former member of Office of the CEO	2023	\$Nil	\$Nil	N/A	N/A	\$Nil	\$Nil
	2022	\$117,099	\$9,346	N/A	N/A	\$Nil	\$126,445
Richard Gillis <sup>(1)(2)</sup> Former member of Office of the CEO	2023	\$41,635	\$Nil	N/A	N/A	\$Nil	\$41,635
	2022	\$321,805	\$19,559	N/A	N/A	\$Nil	\$341,364

## Notes:

- (1) On September 15, 2022, the Office of the CEO was disbanded and Mr. Zittell was appointed Chief Executive Officer of the Corporation. On May 17, 2024, Theodore Zittell resigned as the Corporation's Chief Executive Officer and Larry Weintraub was appointed Chief Executive Officer of the Corporation.
- (2) These amounts were paid to Richard Gillis and Douglas Fulton in USD and for the purpose of this Circular have been converted to Canadian Dollars using the average USD:CAD exchange rate during each fiscal year ended December 31, 2023.
- (3) On June 11, 2023, the Corporation granted an aggregate of 4,250,000 stock options to Theodore Zittell and Manish Kshatriya, with an expiry date of June 11, 2033 and an exercise price of \$0.05 per Common Share, which stock options vested immediately upon grant. The fair value of such stock options at the date of grant was estimated using the Black-Scholes option pricing model with the following assumptions: 10 year expected term; 404.98% volatility; risk-free interest rate of 3.38% per annum; and a dividend yield of 0%.

## NEO Outstanding Option-Based Awards

The table below reflects all option-based awards for each Named Executive Officer outstanding as at December 31, 2023. The Corporation does not have any other equity incentive plans other than the Stock Option Plan.

NEO OPTION-BASED AWARDS OUTSTANDING AS AT DECEMBER 31, 2023				
Name of Named Executive Officer	Number of Securities Underlying Unexercised Options <sup>(1)</sup>	Option Exercise Price	Option Expiration Date	Value of Unexercised In-the-Money Options <sup>(1)</sup>
Theodore Zittell Former Chief Executive Officer	590,000	\$0.41	December 23, 2024	\$Nil
	650,000	\$0.41	January 27, 2026	\$Nil
	2,100,000	\$0.10	September 15, 2027	\$Nil
	1,750,000	\$0.05	June 11, 2033	\$Nil
Manish Kshatriya Chief Financial Officer	200,000	\$0.23	August 17, 2026	\$Nil
	1,500,000	\$0.10	September 15, 2027	\$Nil
	2,500,000	\$0.05	June 11, 2033	\$Nil
Richard Gillis Former member of Office of the CEO	290,000	\$0.41	December 23, 2024	\$Nil
	250,000	\$0.10	September 15, 2027	\$Nil

Doug Fulton Former member of Office of the CEO	N/A	N/A	N/A	N/A
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Note:

- (1) The “**value of unexercised in-the-money options**” is calculated based on the difference between the closing price of \$0.04 for the Common Shares on the CSE on December 31, 2023 (the last trading day of the year ended December 31, 2023) and the exercise price of the options, multiplied by the number of unexercised options.

### Incentive Award Plans

The following table provides information concerning the incentive award plans of the Corporation with respect to each Named Executive Officer during the fiscal year ended December 31, 2023.

INCENTIVE AWARD PLANS - VALUE VESTED OR EARNED DURING THE FISCAL YEAR ENDED DECEMBER 31, 2023		
Name of Executive Officer	Option-Based Awards — Value Vested During Fiscal 2023 (CDN\$) <sup>(1)</sup>	Non-Equity Incentive Plan Compensation — Value Earned During Fiscal 2023 (CDN\$)
Theodore Zittel Director Former Chief Executive Officer	\$Nil	N/A
Manish Kshatriya Chief Financial Officer	\$Nil	N/A
Richard Gillis Former member of Office of the CEO	\$Nil	N/A
Doug Fulton Former member of Office of the CEO	\$Nil	N/A

- (1) The “**value vested during the year**” is calculated based on the difference between the closing price of \$0.04 for the Common Shares on the CSE on December 31, 2023 (the last trading day of the year ended December 31, 2023) and the exercise price of the options, multiplied by the number of unexercised options.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Set out below is information as of December 31, 2023 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance. The only incentive award plan of the Corporation in effect during fiscal 2023 was the Equity Incentive Plan and the only Awards outstanding thereunder were Stock Options. See “*Matters to be Acted on at the Meeting — Ratification and Approval of the Stock Option Plan*”.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights as at December 31, 2023 (a)	Weighted average exercise price of outstanding options, warrants and rights as at December 31, 2023 (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) as at December 31, 2023 (c)
Equity Incentive Plan	18,695,000 Awards	\$0.13 per Stock Option	11,176,913 Awards remaining available for future issuance

## Compensation Discussion and Analysis

### *Introduction*

The Compensation Discussion and Analysis section of this Circular sets out the objectives of the Corporation's executive compensation arrangements, the Corporation's executive compensation philosophy and the application of this philosophy to the Corporation's executive compensation arrangements. It also provides an analysis of the compensation design, and the decisions that the Board has made with respect to the Named Executive Officers. When determining the compensation arrangements for the Named Executive Officers, the Corporate Governance, Compensation and Nomination Committee considers the objectives of: (i) retaining an executive critical to the success of the Corporation and the enhancement of Shareholder values; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and Shareholders of the Corporation; and (iv) rewarding performance, both on an individual basis and with respect to the business in general. See the "Statement of Corporate Governance" above for more discussion on the Corporate Governance, Compensation and Nomination Committee.

### *Benchmarking*

The Corporate Governance, Compensation and Nomination Committee considers a variety of factors when designing and establishing, reviewing and making recommendations for executive compensation arrangements for all executive officers of the Corporation. The Corporation typically does not position executive pay to reflect a single percentile within the cannabis or cannabis beverage industry for each executive. Rather, in determining the compensation level for each executive, the Corporate Governance, Compensation and Nomination Committee looks at factors such as the relative complexity of the executive's role within the organization, the executive's performance and potential for future advancement, the compensation paid by the other companies in the junior cannabis and cannabis beverage industries and pay equity considerations.

### *Elements of Compensation*

The compensation paid to the Named Executive Officers in any year consists of two primary components:

- (a) base salary; and
- (b) long-term incentives in the form of Awards granted under the Equity Incentive Plan.

The Corporation believes that making a significant portion of the Named Executive Officer's compensation based on a base salary and long-term incentives supports the Corporation's executive compensation philosophy, as these forms of compensation allow those most accountable for the Corporation's long-term success to acquire and hold the Corporation's shares. The key features of these two primary components of compensation are discussed below:

#### 1. Base Salary

Base salary recognizes the value of an individual to the Corporation based on their role, skill, performance, contributions, leadership and potential. It is critical in attracting and retaining executive talent in the markets in which the Corporation competes for talent. Base salaries for the Named Executive Officers are reviewed annually. Any change in base salary of a Named Executive Officer is generally determined by an assessment of such executive's performance, a consideration of competitive compensation levels in companies similar to the Corporation (in particular, companies in the junior cannabis and cannabis beverage industries) and a review of the performance of the Corporation as a whole and the role such executive officer played in such corporate performance.

#### 2. Stock Option Awards

The Corporation provides long-term incentives to the Named Executive Officers in the form of stock options as part of its overall executive compensation strategy. The Corporate Governance, Compensation and Nomination Committee believes that stock option grants serve the Corporation's executive compensation philosophy in several ways: firstly, it helps attract, retain, and motivate talent; secondly, it aligns the interests of the Named Executive Officers with those of the Shareholders by linking a specific portion of the officer's total pay opportunity to share price; and finally, it provides long-term accountability for Named Executive Officers.

*Risk*

The Corporate Governance, Compensation and Nomination Committee has considered the implications of the risks associated with the Corporation's compensation policies and practices. Such Committee conducts a yearly review of Directors' compensation having regard to various reports on current trends in Directors' compensation and compensation data for Directors of reporting issuers of comparative size to the Corporation. Director compensation is currently limited to the grant of stock options pursuant to the Plan, with the exception of the compensation paid to Mr. Ellison who received director fees in the aggregate amount of \$30,000 during the year ended 2023. Management of the Corporation reviews the compensation of officers of the Corporation for the prior year and in comparison to industry standards via information disclosed publicly and obtained through copies of surveys. Management makes recommendations on compensation to the Corporate Governance, Compensation and Nomination Committee. The Corporate Governance, Compensation and Nomination Committee reviews and makes suggestions with respect to compensation proposals, and then makes a recommendation to the Board of Directors.

The Corporate Governance, Compensation and Nomination Committee is currently comprised of David Ellison, Theodore Zittell and Anthony Yanow.

The Corporate Governance, Compensation and Nomination Committee's responsibility is to formulate and make recommendations to the Directors of the Corporation in respect of compensation issues relating to Directors and officers of the Corporation. Without limiting the generality of the foregoing, the Corporate Governance, Compensation and Nomination Committee has the following duties:

- (i) to review the compensation philosophy and remuneration policy for officers of the Corporation and to recommend to the Directors of the Corporation changes to improve the Corporation's ability to recruit, retain and motivate officers;
- (ii) to review and recommend to the Directors of the Corporation the retainer and fees to be paid to Directors of the Corporation;
- (iii) to review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate the CEO's performance in light of those corporate goals and objectives, and determine (or make recommendations to the Directors of the Corporation with respect to) the CEO's compensation level based on such evaluation;
- (iv) to recommend to the Directors of the Corporation with respect to non-CEO officer and Director compensation including to review management's recommendations for proposed stock option, share purchase plans and other incentive-compensation plans and equity-based plans for non-CEO officer and Director compensation and make recommendations in respect thereof to the Directors of the Corporation;
- (v) to administer the stock option plan approved by the Directors of the Corporation in accordance with its terms including the recommendation to the Directors of the Corporation of the grant of stock options in accordance with the terms thereof; and
- (vi) to determine and recommend for the approval of the Directors of the Corporation bonuses to be paid to officers and employees of the Corporation and to establish targets or criteria for the payment of such bonuses, if appropriate. The Corporate Governance, Compensation and Nomination Committee is currently comprised of three members; however, a greater number can be appointed by the Board from time to time. Pursuant to the mandate and terms of reference of the Corporate Governance, Compensation and Nomination Committee, meetings of the Committee are to take place at least once per year and at such other times as the Chair of the Corporate Governance, Compensation and Nomination Committee may determine.

A compensation consultant has not, at any time since the Corporation became a reporting issuer, been retained to assist in determining compensation for any of the Corporation's Directors and officers; however, with respect to compensation matters, the Corporate Governance, Compensation and Nomination Committee has gathered publicly available compensation information, and conducts ongoing discussions with other members of management in industry with respect to compensation.

## Termination and Change of Control Benefits and Management Contracts

During the year ended December 31, 2023, the Corporation was party to the below referenced contracts with its directors and NEOs for services provided to the Corporation or its subsidiaries. Other than the consulting agreement entered into between the Corporation's former Chief Executive Officer, Theodore Zittell, and Chief Financial Officer, Manish Kshatriya, the Corporation was not party to any contract, agreement or arrangement that provided for payments to a Director or Named Executive Officer in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, change in control of Tinley or a change in a Named Executive Officer's responsibilities.

### *Theodore Zittell — Former Chief Executive Officer*

On February 15, 2017, a company controlled by Theodore Zittell entered into a consulting services agreement with Tinley, under which Theodore Zittell provided professional services to Tinley in exchange for a consulting fee. On September 15, 2022, Mr. Zittell was appointed Chief Executive Officer of the Corporation following the disbandment of the Office of the CEO in which he served and his consulting services agreement was amended, pursuant to which Mr. Zittell was paid a consulting fee of \$18,000 per month until June 15, 2024. The consulting agreement did not provide for change of control or termination provisions. On May 17, 2024, Mr. Zittell resigned as the Corporation's Chief Executive Officer but remains on Tinley's board and serves as chairman.

### *Manish Kshatriya — Chief Financial Officer*

On August 23, 2021, a company controlled by Manish Kshatriya entered into a consulting services agreement with Tinley, under which Mr. Kshatriya provided services to Tinley as its Chief Financial Officer, the agreement was amended on September 15, 2022. Under such consulting services agreement, Mr. Kshatriya is paid a consulting fee of \$15,000 per month. Tinley is entitled to terminate the consulting services agreement with Mr. Kshatriya without cause upon providing 60 days written notice. If Mr. Kshatriya's consulting agreement is terminated by the Corporation within 12 months of a change of control of Tinley other than for cause or pursuant to the voluntary termination by Mr. Kshatriya, all of Mr. Kshatriya's unvested stock options will immediately vest and become exercisable for 90 days following the date of termination and Mr. Kshatriya shall be entitled to a severance payment equal to the aggregate of Mr. Kshatriya's monthly consulting fees for the immediately preceding three months.

## Compensation of Directors

The following table provides a summary of all amounts of compensation provided to the directors of the Corporation during the fiscal year ended December 31, 2023.

DIRECTOR COMPENSATION TABLE FOR FISCAL 2023 (excluding directors that are also officers)					
Name <sup>(1)</sup>	Fee Earned (CDN\$)	Option-Based Awards (CDN\$) <sup>(2) (3)</sup>	Non-Equity Incentive Plan Compensation (CDN\$)	All Other Compensation (CDN\$)	Total (CDN\$)
David Ellison	\$30,000 <sup>(4)</sup>	\$45,000	N/A	\$Nil	\$75,000
Tony Yanow	\$Nil	\$45,000	N/A	\$Nil	\$45,000
Paul Burgis	\$Nil	\$67,200	N/A	\$Nil	\$67,200

### Notes:

- (1) The relevant disclosure for the NEOs is provided in the Summary Compensation Table for NEO's above.
- (2) On January 30, 2023, the Corporation granted an aggregate of 500,000 stock options to Paul Burgis with an expiry date of January 30, 2028, and the exercise price of \$0.10 per common share. The stock options vested immediately. The fair value of these options at the date of grant was estimated using the Black-Scholes option pricing model with the following assumptions: 5 year expected term; 99.28% volatility, risk-free interest rate of 3.04% per annum; and a dividend yield of 0%.
- (3) On June 11, 2023, the Corporation granted an aggregate of 3,750,000 stock options to David Ellison, Tony Yanow and Paul Burgis with an expiry date of June 11, 2033, and the exercise price of \$0.05 per common share. The stock options vested immediately. The fair value of these options at the date of grant was estimated using the Black-Scholes option pricing model with the following assumptions: 10 year expected term; 404.98% volatility, risk-free interest rate of 3.38% per annum; and a dividend yield of 0%.
- (4) These fees were paid to Mr. Ellison for director fees.

### Director Outstanding Option-Based Awards

The table below reflects all option-based awards for each director of the Corporation outstanding as at December 31, 2023. The Corporation does not have any other equity incentive plans other than the Stock Option Plan.

<b>DIRECTOR OPTION-BASED AWARDS OUTSTANDING AS AT DECEMBER 31, 2023</b>				
<b>Name of Director</b>	<b>Number of securities Underlying Unexercised Options</b>	<b>Option Exercise Price (CDNS/Security)</b>	<b>Option Expiration Date</b>	<b>Value of Unexercised In-the-Money Options (CDNS)</b>
David Ellison	290,000	\$0.41	December 23, 2024	\$Nil
	350,000	\$0.41	January 27, 2026	\$Nil
	1,000,000	\$0.10	September 15, 2027	\$Nil
	1,250,000	\$0.05	June 11, 2033	\$Nil
Tony Yanow	1,250,000	\$0.05	June 11, 2033	\$Nil
Paul Burgis	500,000	\$0.10	January 30, 2028	\$Nil
	1,250,000	\$0.05	June 11, 2033	\$Nil

Notes:

- (1) The relevant disclosure for the NEOs is provided in the Option-Based Awards Compensation Table for NEO's above.
- (2) The "value of unexercised In-The-Money options" is calculated based on the difference between the closing price of \$0.04 for the Common Shares on the CSE on December 31, 2023, and the exercise price of the options, multiplied by the number of unexercised options.

The following table provides information concerning the incentive award plans of the Corporation with respect to each director of the Corporation during the fiscal year ended December 31, 2023. The only incentive award plan of the Corporation in effect during fiscal 2023 was the Equity Incentive Plan and the only Awards outstanding thereunder were Stock Options.

<b>INCENTIVE AWARD PLANS - VALUE VESTED OR EARNED DURING THE FISCAL YEAR ENDED DECEMBER 31, 2023</b>		
<b>Name of Director</b>	<b>Option-Based Awards — Value Vested During Fiscal 2023 (CDNS)</b>	<b>Non-Equity Incentive Plan Compensation - Value Earned During Fiscal 2023 (CDNS)</b>
David Ellison	\$Nil	N/A
Tony Yanow	\$Nil	N/A
Paul Burgis	\$Nil	N/A

Notes:

- (1) The relevant disclosure for the NEOs is provided in the Incentive Award Plans Table for NEO's above.
- (2) The "value vested during the year" is calculated based on the difference between the closing price for the Common Shares on the CSE as of the date of vesting (or the most recent closing price on the CSE, if applicable) and the exercise price of the options, multiplied by the number of vested options.

## STATEMENT OF CORPORATE GOVERNANCE MATTERS

### Corporate Governance

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

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

### **Board of Directors**

The Board is currently comprised of five directors: Theodore Zittell, David Ellison, Tony Yanow, Paul Burgis and Shreyas Balakrishnan and all such individuals are proposed to be re-elected as directors at the Meeting along with Larry Weintraub.

NI 58-101 defines an “independent director” as a director who has no direct or indirect material relationship with the Corporation. A “material relationship” is in turn defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with such member’s independent judgment.

Each of Messrs. Ellison and Yanow are considered independent, while Messrs. Zittell, Burgis, Balakrishnan and Weintraub are not considered independent. Mr. Zittell was the Chief Executive Officer of the Corporation up until May 2024 and received fees for his services as a consultant and is therefore not independent. Mr. Burgis is the Principal and Managing Member of BLH and Mr. Balakrishnan is the Chief Executive Officer of BLH, which entity received operating and administration fees from the Corporation in fiscal 2023. Mr. Weintraub is the current Chief Executive Officer of the Corporation.

The Board believes that it functions independently of management. To enhance its ability to act independent of management, the members of the Board may meet in the absence of members of management and the non-independent directors or may excuse such persons from all or a portion of any meeting where a potential conflict of interest arises or where otherwise appropriate. The current Board did not hold any meetings of the independent directors during the fiscal years ended December 31, 2022 or 2023.

### **Other Reporting Issuer Directorships**

None of the current directors of the Corporation or director nominees are directors of other reporting issuers (or the equivalent).

### **Orientation and Continuing Education**

Each new director is given an outline of the nature of the business of the Corporation, its corporate strategy and current issues within the Corporation. New directors are also required to meet with management of the Corporation to discuss and better understand the Corporation’s business and are given the opportunity to meet with counsel to the Corporation to discuss their legal obligations as directors of the Corporation.

In addition, management of the Corporation takes steps to ensure that its directors and officers are continually updated as to the latest corporate and securities policies which may affect the directors, officers and committee members of the Corporation as a whole. The Corporation continually reviews the latest securities rules and policies. Any such changes or new requirements are then brought to the attention of the Corporation’s directors either by way of director or committee meetings or by direct communications from management to the directors.

### **Ethical Business Conduct**

The Board has found that the fiduciary duties placed on individual directors by the Corporation’s governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors’ participation in the decision making of the Board in which the director has an interest as well as adherence to the standards contained in the Corporation’s Code of Business Conduct and Ethics have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation. Further, the Corporation’s auditors have full and unrestricted access to the audit committee of the Corporation (“**Audit Committee**”) at all times to discuss the annual audits of the Corporation’s financial statements and any related findings as to the integrity of the financial reporting process.



## **Nomination of Directors**

The size of the Board is reviewed annually when the Board considers the number of directors to recommend for election at the annual general meeting of Shareholders. The Board takes into account the number of directors required to carry out the Board duties effectively, and to maintain a diversity of view and experience.

The Corporate Governance and Nominating Committee will meet on an as needed basis and is responsible for: (a) reviewing the Board's Corporate Governance guidelines and all Committee's Charters to ensure that they are consistent with sound governance principles, and recommending any proposed changes to the Board for approval; (b) developing, and periodically updating, a Code of Business Ethics ("Code") for approval by the Board, and ensuring that management has established a system to disseminate and monitor compliance of the Code and is enforcing its application; (c) in consultation with the Audit Committee, monitoring and reviewing the Corporation's policies and procedures relating to compliance with laws and regulations and its Code; (d) considering what competencies and skills the Board, as a whole, should possess and seeking individuals qualified to become board members, including evaluating persons suggested by share owners or others; (e) recommending to the Board the director nominees for the next annual meeting of Shareholders; (f) evaluating and recommending to the Board when new members should be added to the Board, including factors of structure, size and composition of the Board and its committees; (g) reviewing the composition of each Board committee and presenting recommendations for committee memberships and committee chairmanships to the Board as needed; (h) developing and overseeing the annual performance assessment process for the Board and each Committee of the Board; and (i) reporting regularly to the Board on the Corporate Governance and Nominating Committee's activities and actions, as appropriate.

## **Compensation**

The Corporate Governance, Compensation and Nomination Committee meets on an as needed basis and is responsible for making recommendations to the Board regarding: (a) Chief Executive Officer compensation; (b) compensation of other executives; (c) incentive compensation plans; and (d) employment agreements, severance agreements, retirement agreements, change in control agreements and provisions, and any special or supplemental benefits for each officer of the Corporation. The Board then determines whether to adopt such recommendations as submitted or otherwise.

## **Assessment of Board Performance**

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

## **AUDIT COMMITTEE INFORMATION**

The Audit Committee is responsible for the Corporation's financial reporting process and the quality of its financial reporting. In addition to its other duties, the Audit Committee reviews all financial statements, annual and interim, intended for circulation among Shareholders and reports upon these to the Board. In addition, the Board may refer to the Audit Committee other matters and questions relating to the financial position of the Corporation. In performing its duties, the Audit Committee maintains effective working relationships with the board, management and the external auditors and monitors independence of those auditors. The Audit Committee has formally adopted an Audit Committee charter, which sets forth purposes of the Audit Committee and guidelines for its practices. The full text of the Audit Committee Charter is annexed hereto as Schedule "A".

The current members of the Audit Committee are: Messrs. Paul Burgis (Chair), Theodore Zittell and Tony Yanow, all of whom are financially literate. Tony Yanow is the only independent director on the audit committee.

The Corporation is relying on the exemption in Section 6.1 of National Instrument 52-110 "Audit Committees" ("NI 52-110") (Venture Issuers). At no time since the commencement of the fiscal year ended December 31, 2014 has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

## **Composition of the Audit Committee**

The following are the members of the Audit Committee.

Name	Independent / Not Independent	Financial literacy
Paul Burgis	Not Independent	Financially literate
Theodore Zittell	Not Independent	Financially literate
Tony Yanow	Independent	Financially literate

### Relevant Education and Experience of Audit Committee Members

All of the Audit Committee members are senior-level business people with experience in financial matters and are considered financially literate under NI 52-110 and each has an understanding of accounting principles used by the Corporation to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of experience. In addition, each of the members of the Audit Committee has knowledge of the role of an audit committee in the realm of reporting companies from their years of experience as directors or officers of public and private companies other than the Corporation. See “Matters to be Acted on at the Meeting – Election of Directors” for additional information regarding each of the Audit Committee members’ relevant background and experience.

### External Auditor Service Fees (By Category)

The following table discloses the fees billed to the Corporation by its external auditor during the past two financial years.

Financial Year Ended	Audit fees	Audit-related fees <sup>(1)</sup>	Tax fees <sup>(2)</sup>	All other fees <sup>(3)</sup>
December 31, 2023	\$65,000	\$Nil	\$Nil	\$Nil
December 31, 2022	\$65,000	\$Nil	\$Nil	\$Nil

Notes:

- (1) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation’s financial statements and are not disclosed in the ‘Audit Fees’ column.
- (2) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (3) The aggregate fees billed for professional services other than those listed in the other three columns.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the last completed financial year and up to the date hereof, no director, executive officer or employee or former executive officer, director or employee of the Corporation or any of its subsidiaries has been indebted to the Corporation.

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

Other than as disclosed herein, 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 other than the election of directors.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person, director, executive officer, nominee for director, any person who beneficially owns, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares, nor any associated or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation other than the debt settlement transactions with BLH, of which Paul Burgis is principal and Shreyas Balakrishnan is Chief Executive Officer, pursuant to which the Corporation settled an aggregate of \$2,230,183 of outstanding indebtedness through the issuance Common Shares and common share purchase warrants to BLH and settled an additional \$3,507,852 of outstanding indebtedness through the transfer of its bottling line to BLH. As a result of such debt settlements with BLH, which closed on January 26 and August 30, 2024, BLH was issued an aggregate of 66,838,425 Common Shares and 66,838,425 common share purchase warrants and became a “control person” of the Corporation under the policies of the CSE. Please see the news releases of the Corporation dated January 29 and September 3, 2024 for additional information.

### **OTHER BUSINESS**

Management of the Corporation knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if matters not now known to management should come before the Meeting, Common Shares represented by proxies solicited by management will be voted on each such matter in accordance with the best judgment of the nominees voting same.

### **REGISTRAR AND TRANSFER AGENT**

Odyssey Trust Company, located at 702-67 Yonge Street, Toronto, ON M5E 1J8, is the registrar and transfer agent for the Corporation's Common Shares.

### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation can be found on SEDAR+ at <https://www.sedarplus.ca/landingpage/>. Financial information is provided in the Corporation's comparative financial statements and management discussion and analysis. Copies of the Corporation's financial statements and management discussion and analysis may be obtained, without charge, upon request to the Corporation at 181 Bay Street, Suite 1800, Toronto, Ontario M5J 2T9.

### **APPROVAL OF DIRECTORS**

The contents and the sending of this Circular have been approved by the directors of the Corporation.

**DATED** at Los Angeles, California, USA this 24<sup>th</sup> day of October, 2024.

*(signed) "Larry Weintraub"*  
Larry Weintraub  
Chief Executive Officer

**SCHEDULE “A”**  
**THE TINLEY BEVERAGE COMPANY INC.**  
**(“CORPORATION”)**  
**AUDIT COMMITTEE CHARTER**

**1. Purpose**

The committee will assist the Board of Directors of the Corporation (“**Board**”) in fulfilling its responsibilities. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Corporation’s process for monitoring compliance with laws and regulations and its own code of business conduct as it relates to financial reporting and disclosure. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. The committee will also be responsible for reviewing the Corporation’s financial strategies, its financing plans and its use of the equity and debt markets.

To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Corporation’s business, operations and risks.

**2. Committee Membership**

The Committee shall consist of no fewer than three members, a majority of whom shall not be officers or employees of the Corporation or any of its affiliates and who shall meet the independence requirements of Canadian securities laws and the CSE. The members and chair of the Committee shall be appointed and removed by the Board in accordance with the rules of the Corporate Governance and Directors Nominating Committee.

**3. Committee Meetings**

The Committee shall meet quarterly each year. The Chairman will schedule regular meetings, and additional meetings may be held at the request of two or more members of the Committee, the CEO, or the Chairman of the Board. External auditors may convene a special meeting if they consider that it is necessary.

The committee may invite such other persons (e.g. the CEO and/or CFO) to its meetings, as it deems appropriate. The external auditors should be present at each quarterly audit committee meeting and should be expected to comment on the financial statements in accordance with best practices.

The Committee shall keep adequate minutes of all its proceedings, and the Committee Chairman will report its actions to the next meeting of the Board. Committee members will be furnished with copies of the minutes of each Committee meeting and any action taken by unanimous consent.

**4. Committee Authority and Responsibilities**

In carrying out its responsibilities, the Committee will:

- 4.1 Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.
- 4.2 Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.
- 4.3 Review the Corporation’s strategic and financing plans to assist the Board’s understanding of the underlying financial risks and the financing alternatives.
- 4.4 Review management’s plans to access the equity and debt markets and to provide the Board with advice and commentary.
- 4.5 Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.

- 4.6 Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside counsel whenever deemed appropriate.
- 4.7 Review the annual and quarterly financial statements including Management's Discussion and Analysis and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles, stock exchange requirements and governmental regulations.
- 4.8 Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
- 4.9 Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.
- 4.10 Review audit issues related to the Corporation's material associated and affiliated companies that may have a significant impact on the Corporation's equity investment.
- 4.11 Meet with management and the external auditors to review the annual financial statements and the results of the audit.
- 4.12 4.12 Assess the fairness of the interim financial statements and disclosures, and obtain explanations from management on whether:
  - (a) actual financial results for the interim period varied significantly from budgeted or projected results;
  - (b) generally accepted accounting principles have been consistently applied;
  - (c) there are any actual or proposed changes in accounting or financial reporting practices; and
  - (d) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.
- 4.13 Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.
- 4.14 Review the performance of the external auditors and approve in advance provision of services other than auditing.
- 4.15 Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Corporation.
- 4.16 Make recommendations to the Board regarding the reappointment of the external auditors.
- 4.17 Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.
- 4.18 Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
- 4.19 Obtain regular updates from management and the Corporation's legal counsel regarding compliance matters, as well as certificates from the Chief Financial Officer as to required statutory payments and bank covenant compliance and from senior operating personnel as to permit compliance.
- 4.20 Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.

- 4.21 Perform other functions as requested by the full Board.
- 4.22 If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist.
- 4.23 Review and update the charter; receive approval of changes from the Board.

**SCHEDULE "B"**  
**EQUITY INCENTIVE PLAN**

**(See Attached)**

## EQUITY INCENTIVE PLAN

## THE TINLEY BEVERAGE COMPANY INC.

ADOPTED BY THE BOARD OF DIRECTORS: SEPTEMBER 15, 2022

**Section 1. Purpose**

The purpose of the Plan is to promote the interests of The Tinley Beverage Company Inc., its subsidiaries and its shareholders (collectively, the “**Company**”) by aiding the Company in attracting and retaining employees, officers, consultants, advisors and Non-Employee Directors capable of assuring the future success of the Company, to offer such persons incentives to put forth maximum efforts for the success of the Company’s business and to compensate such persons through various share and cash-based arrangements and provide them with opportunities for share ownership in the Company, thereby aligning the interests of such persons with the Company’s shareholders.

**Section 2. Definitions**

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

(a) “*Affiliate*” shall mean any entity that, directly or indirectly through one or more intermediaries, is controlled by the Company within the meaning of the Business Corporations Act (Ontario).

(b) “*Award*” shall mean any Option, Share Appreciation Right, Restricted Share, Restricted Share Unit, Performance Award, Dividend Equivalent or Other Share-Based Award granted under the Plan.

(c) “*Award Agreement*” shall mean any written agreement, contract or other instrument or document evidencing an Award granted under the Plan (including a document in an electronic medium) executed in accordance with the requirements of Section 10(b).

(d) “*Board*” shall mean the Board of Directors of the Company.

(e) “*Code*” shall mean the U.S. Internal Revenue Code of 1986, as amended from time to time, and any regulations promulgated thereunder.

(f) “*Committee*” shall mean the Compensation Committee of the Board or such other committee designated by the Board to administer the Plan. The Committee shall be comprised of not less than such number of Directors as shall be required to permit Awards granted under the Plan to qualify under Rule 16b-3, and each member of the Committee shall be a “non-employee director” within the meaning of Rule 16b-3.

(g) “*Company*” shall mean The Tinley Beverage Company Inc., an Ontario corporation, and any successor corporation.

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

(i) is engaged to provide on a continuous bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate of the Company, other than services provided in relation to a distribution;

(ii) provides the services under a written contract between the Company or the Affiliate and the individual or the Consultant Company;

(iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company; and

(iv) has a relationship with the Company or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company.

(i) “*Consultant Company*” means for an individual Consultant, a company or partnership of which the individual is an employee, shareholder or partner.

(j) “*CSE*” means the Canadian Securities Exchange.

(k) “*Director*” shall mean a member of the Board.

(l) “*Dividend Equivalent*” shall mean any right granted under Section 6(e) of the Plan.

(m) “*Effective Date*” shall mean the date the Plan is adopted by the Board, as set forth in Section 12.

(n) “*Eligible Person*” shall mean any employee, officer, Non-Employee Director, or Consultant providing services to the Company or any Affiliate, or any such person to whom an offer of employment or engagement with the Company or any Affiliate is extended.

(o) “*Exchange Act*” shall mean the U.S. Securities Exchange Act of 1934, as amended.



- (p) “*Fair Market Value*” with respect to one Share as of any date shall mean:
- (i) if the Shares are listed on the CSE or any established share exchange, the price of one Share at the close of the regular trading session of such market or exchange on the last trading day prior to such date, if no sale of Shares shall have occurred on such date, on the next preceding date on which there was a sale of Shares. Notwithstanding the foregoing, in the event that the Shares are listed on the CSE, for the purposes of establishing the exercise price of any Options, the Fair Market Value shall not be lower than the greater of the closing of the market price of the Shares on the CSE on (x) the prior trading day, and (y) the date of grant of the Options;
  - (ii) if the Shares are not so listed on the CSE or any established share exchange, the average of the closing “bid” and “ask” prices quoted by the OTC Bulletin Board, the National Quotation Bureau, or any comparable reporting service on such date or, if there are no quoted “bid” and “ask” prices on such date, on the next preceding date for which there are such quotes for a Share; or
  - (iii) if the Shares are not publicly traded as of such date, the per share value of one Share, as determined by the Board, or any duly authorized Committee of the Board, in its sole discretion, by applying principles of valuation with respect thereto.
- (q) “*Incentive Stock Option*” shall mean an option granted under Section 6(a) of the Plan that is intended to meet the requirements of Section 422 of the Code or any successor provision.
- (r) “*Investor Relations Activities*” shall mean any activity or oral or written communications, by or on behalf of the company that promotes or reasonably could be expected to promote the purchase, or sale of securities of the Company, but does not include:
- (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company (A) to promote the sale of its products or services, or (B) to raise public awareness of the Company, that cannot reasonably be considered to promote the purchase, or sale of securities of the Company;
  - (ii) activities or communications necessary to comply with (A) applicable securities legislation, or (B) CSE requirements or the requirements of any other regulatory body having jurisdiction over the Company;
  - (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication that is of general and regular circulation if (A) the communication is only through the newspaper, magazine or publication, and (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
  - (iv) such other activities or communications that may be specified by the CSE.
- (s) “*Non-Employee Director*” shall mean a Director who is not also an employee of the Company or any Affiliate.
- (t) “*Non-Qualified Stock Option*” shall mean an option granted under Section 6(a) of the Plan that is not intended to be an Incentive Stock Option.
- (u) “*Option*” shall mean an Incentive Stock Option or a Non-Qualified Stock Option to purchase Shares.
- (v) “*Other Share-Based Award*” shall mean any right granted under Section 6(f) of the Plan.
- (w) “*Participant*” shall mean an Eligible Person designated to be granted an Award under the Plan.
- (x) “*Performance Award*” shall mean any right granted under Section 6(d) of the Plan.
- (y) “*Person*” shall mean any individual or entity, including a corporation, partnership, limited liability company, association, joint venture or trust.
- (z) “*Plan*” shall mean this Amended and Restated Equity Incentive Plan, as amended from time to time.
- (aa) “*Related Person*” has the meaning ascribed thereto in section 2.22 of National Instrument 45-106 Prospectus Exempt Distributions, which includes, without limitation, any director, an executive officer of the Company or of its any Affiliates.
- (bb) “*Restricted Share*” shall mean any Share granted under Section 6(c) of the Plan.
- (cc) “*Restricted Share Unit*” shall mean any unit granted under Section 6(c) of the Plan evidencing the right to receive a Share (or a cash payment equal to the Fair Market Value of a Share) at some future date, provided that in the case of Participants who are liable to taxation under the Tax Act in respect of amounts payable under this Plan, that such date shall not be later than December 31 of the third calendar year following the year services were performed in respect of the corresponding Restricted Share Unit awarded.
- (dd) “*Section 409A*” shall mean Section 409A of the Code, or any successor provision, and applicable Treasury Regulations and other applicable guidance thereunder.

- (ee) “*Securities Act*” shall mean the U.S. Securities Act of 1933, as amended.
- (ff) “*Share*” or “*Shares*” shall mean common shares in the capital of the Company (or such other securities or property as may become subject to Awards pursuant to an adjustment made under Section 4(c) of the Plan).
- (gg) “*Specified Employee*” shall mean a specified employee as defined in Section 409A(a)(2)(B) of the Code or applicable proposed or final regulations under Section 409A, determined in accordance with procedures established by the Company and applied uniformly with respect to all plans maintained by the Company that are subject to Section 409A.
- (hh) “*Share Appreciation Right*” shall mean any right granted under Section 6(b) of the Plan.
- (ii) “*Tax Act*” means the *Income Tax Act* (Canada).
- (jj) “*U.S. Award Holder*” shall mean any holder of an Award who is a “U.S. person” (as defined in Rule 902(k) of Regulation S under the Securities Act) or who is holding or exercising Awards in the United States.

### **Section 3. Administration**

(a) Power and Authority of the Board and the Committee. The Plan shall be administered by the Board or the Committee. Subject to the express provisions of the Plan and to applicable law, the Board and the Committee shall have full power and authority to: (i) designate Participants; (ii) determine the type or types of Awards to be granted to each Participant under the Plan; (iii) determine the number of Shares to be covered by (or the method by which payments or other rights are to be calculated in connection with) each Award; (iv) determine the terms and conditions of any Award or Award Agreement, including any terms relating to the forfeiture of any Award and the forfeiture, recapture or disgorgement of any cash, Shares or other amounts payable with respect to any Award; (v) amend the terms and conditions of any Award or Award Agreement, subject to the limitations under Section 7; (vi) accelerate the exercisability of any Award or the lapse of any restrictions relating to any Award, subject to the limitations in Section 7, (vii) determine whether, to what extent and under what circumstances Awards may be exercised in cash, Shares, other securities, other Awards or other property (excluding promissory notes), or canceled, forfeited or suspended, subject to the limitations in Section 7; (viii) determine whether, to what extent and under what circumstances amounts payable with respect to an Award under the Plan shall be deferred either automatically or at the election of the holder thereof or the Committee, subject to the requirements of Section 409A; (ix) interpret and administer the Plan and any instrument or agreement, including an Award Agreement, relating to the Plan; (x) establish, amend, suspend or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan; (xi) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan; and (xii) adopt such modifications, rules, procedures and subplans as may be necessary or desirable to comply with provisions of the laws of the jurisdictions in which the Company or an Affiliate may operate, including, without limitation, establishing any special rules for Affiliates, Eligible Persons or Participants located in any particular country, in order to meet the objectives of the Plan and to ensure the viability of the intended benefits of Awards granted to Participants located in such non-United States jurisdictions. Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations and other decisions under or with respect to the Plan or any Award or Award Agreement shall be within the sole discretion of the Board or the Committee, as applicable, may be made at any time and shall be final, conclusive and binding upon any Participant, any holder or beneficiary of any Award or Award Agreement, and any employee of the Company or any Affiliate.

(b) Delegation. The Committee may delegate to one or more officers or Directors of the Company, subject to such terms, conditions and limitations as the Committee may establish in its sole discretion, the authority to grant Awards; provided, however, that the Committee shall not delegate such authority in such a manner as would cause the Plan not to comply with applicable exchange rules or applicable corporate law.

(c) Power and Authority of the Board. Notwithstanding anything to the contrary contained herein, (i) the Board may, at any time and from time to time, without any further action of the Committee, exercise the powers and duties of the Committee under the Plan, unless the exercise of such powers and duties by the Board would cause the Plan not to comply with the requirements of all applicable securities rules and (ii) only the Committee (or another committee of the Board comprised of directors who qualify as independent directors within the meaning of the independence rules of any applicable securities exchange where the Shares are then listed) may grant Awards to Directors who are not also employees of the Company or an Affiliate.

(d) Indemnification. To the full extent permitted by law, (i) no member of the Board, the Committee or any person to whom the Committee delegates authority under the Plan shall be liable for any action or determination taken or made in good faith with respect to the Plan or any Award made under the Plan, and (ii) the members of the Board, the Committee and each person to whom the Committee delegates authority under the Plan shall be entitled to indemnification by the Company with regard to such actions and determinations. The provisions of this paragraph shall be in addition to such other rights of indemnification as a member of the Board, the Committee or any other person may have by virtue of such person’s position with the Company.

### **Section 4. Shares Available for Awards**

(a) Shares Available. Subject to adjustment as provided in Section 4(c) of the Plan, the aggregate number of Shares that may be issued under all Awards under the Plan shall be 30,171,913 Shares, being 20% of the number of issued and outstanding Shares of the Company at September 15, 2022, subject to adjustment as set forth herein, and further subject to the applicable rules and regulations of all regulatory authorities to which the Company is subject, including but not limited to the CSE. Notwithstanding the foregoing, the aggregate number of Shares that may be issued pursuant to awards of Incentive Stock Options shall not exceed 15,085,956 Shares, or such lesser amount determined by the Board. The aggregate number of Shares that may be issued under all Awards under the Plan shall be reduced by Shares subject to Awards issued under the Plan in accordance with the Share counting rules described in Section 4(b) below.

(b) Counting Shares. For purposes of this Section 4, if an Award entitles the holder thereof to receive or purchase Shares, the number of Shares covered by such Award or to which such Award relates shall be counted on the date of grant of such Award against the aggregate number of Shares available for granting Awards under the Plan.

- (i) Shares Added Back to Reserve. If any Shares covered by an Award or to which an Award relates are not purchased or are forfeited or are reacquired by the Company (including any Shares withheld by the Company or Shares tendered to satisfy any tax withholding obligation on Awards or Shares covered by an Award that are settled in cash), or if an Award otherwise terminates or is cancelled without delivery of any Shares, then the number of Shares counted against the aggregate number of Shares available under the Plan with respect to such Award, to the extent of any such forfeiture, reacquisition by the Company, termination or cancellation, shall again be available for granting Awards under the Plan.
- (ii) Cash-Only Awards. Awards that do not entitle the holder thereof to receive or purchase Shares shall not be counted against the aggregate number of Shares available for Awards under the Plan.
- (iii) Substitute Awards Relating to Acquired Entities. Shares issued under Awards granted in substitution for awards previously granted by an entity that is acquired by or merged with the Company or an Affiliate shall not be counted against the aggregate number of Shares available for Awards under the Plan.

(c) Adjustments. In the event that any dividend (other than a regular cash dividend) or other distribution (whether in the form of cash, Shares, other securities or other property), recapitalization, share split, reverse share split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company or other similar corporate transaction or event affects the Shares such that an adjustment is necessary in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee shall, in such manner as it may deem equitable, adjust any or all of (i) the number and type of Shares (or other securities or other property) that thereafter may be made the subject of Awards, (ii) the number and type of Shares (or other securities or other property) subject to outstanding Awards, (iii) the purchase price or exercise price with respect to any Award and (iv) the limitations contained in Section 4(d) below; *provided, however*, that the number of Shares covered by any Award or to which such Award relates shall always be a whole number. Such adjustment shall be made by the Committee or the Board, whose determination in that respect shall be final, binding and conclusive.

(d) Additional Award Limitations. The aggregate number of Shares issuable to Related Persons pursuant to Awards granted and all other security based compensation arrangements, at any time, shall not exceed 10% of the total number of Shares then outstanding. The aggregate number of Shares issued to Related Persons pursuant to Awards and all other security based compensation arrangements, within a one-year period, shall not exceed 10% of the total number of Shares then outstanding. The total number of Shares which may be issued or issuable to any one Related Person and the associates of the Related Person under the Plan and all other security based compensation arrangements within any one-year period shall not exceed 5% of the Shares then outstanding. So long as the Company is listed on the CSE, the aggregate number of Shares issued or issuable to persons providing investor relations activities (as defined in CSE policies) as compensation within a one-year period, shall not exceed 1% of the total number of Shares then outstanding. For the purposes of this Section, the number of Shares then outstanding shall mean the number of Shares, including Shares issuable upon conversion of multiple voting shares of the Company, outstanding immediately prior to the proposed grant of the applicable Award. Under this Plan “security based compensation arrangements” shall mean any compensation or incentive mechanism (such as option plans, restricted share plans, share purchase plans) involving the issuance or potential issuances of securities of the Company from treasury.

## **Section 5. Eligibility**

(a) Eligibility. Any Eligible Person shall be eligible to be designated as a Participant. In determining which Eligible Persons shall receive an Award and the terms of any Award, the Committee may take into account the nature of the services rendered by the respective Eligible Persons, their present and potential contributions to the success of the Company and/or such other factors as the Committee, in its discretion, shall deem relevant. Notwithstanding the foregoing, an Incentive Stock Option may only be granted to full-time or part-time employees (which term, as used herein, includes, without limitation, officers and Directors who are also employees), and an Incentive Stock Option shall not be granted to an employee of an Affiliate unless such Affiliate is also a “subsidiary corporation” of the Company within the meaning of Section 424(f) of the Code or any successor provision.

(b) Ceasing to be an Eligible Person. If a Participant ceases to be an Eligible Person for any reason, whether for cause or otherwise, the Participant may, but only within 90 days following the date on which it ceased to be an Eligible Person, or within 30 such days if such Participant is an investor relations person or holder of Incentive Stock Options, exercise any Option that was exercisable on the date the Participant ceased to be an Eligible Person. The Committee may extend such 90 or 30 day period, as applicable, subject to obtaining any approval required by the stock exchange on which the Shares then trade, if any, and subject to a maximum extension to the original expiry date of such Options. Any Option that was not exercisable on the date the Participant ceased to be an Eligible Person is deemed to expire on such date, unless extended as contemplated herein. Any Option that was exercisable on the date the Participant ceased to be an Eligible Person is deemed to expire immediately following the 90 or 30 day period, as applicable, unless extended as contemplated herein.

## **Section 6. Awards**

(a) Options. The Committee is hereby authorized to grant Options to Eligible Persons with the following terms and conditions and with such additional terms and conditions not inconsistent with the provisions of the Plan, as the Committee shall determine:

- (i) Exercise Price. The purchase price per Share purchasable under an Option shall be determined by the Committee and shall not be less than 100% of the Fair Market Value of a Share on the date of grant of such Option; *provided, however*, that the Committee may designate a purchase price below Fair Market Value on the date of grant if the Option is granted in substitution for a stock option previously granted by an entity that is acquired by or merged with the Company or an Affiliate.
- (ii) Option Term. The term of each Option shall be fixed by the Committee at the date of grant but shall not be longer than 10 years from the date of grant. Notwithstanding the foregoing, in the event that the expiry date of an Option falls within a trading blackout period imposed by the Company (a “**Blackout Period**”), and neither the Company nor the individual in possession of an Option is subject to a cease trade order in respect of the Company’s securities, then the expiry date of such Option shall be automatically extended to the 10th business day following the end of the Blackout Period. With respect to a U.S. Award Holder, the application of the Blackout Period shall be made in the Company’s sole discretion in accordance with the Code and Section 409A thereof.
- (iii) Time and Method of Exercise. The Committee shall determine the time or times at which an Option may be exercised in whole or in part and the method or methods by which, and the form or forms, including, but not limited to, cash, Shares (actually or by attestation), other securities, other Awards or other property, or any combination thereof, having a Fair Market Value on the exercise date equal to the applicable exercise price, in which payment of the exercise price with respect thereto may be made or deemed to have been made.
  - (A) Promissory Notes. Notwithstanding the foregoing, the Committee may not permit payment of the exercise price, either in whole or in part, with a promissory note.
  - (B) Net Exercises. The Committee may, in its discretion, permit an Option to be exercised by delivering to the Participant a number of Shares having an aggregate Fair Market Value (determined as of the date of exercise) equal to the excess, if positive, of the Fair Market Value of the Shares underlying the Option being exercised on the date of exercise, over the exercise price of the Option for such Shares.
- (iv) Incentive Stock Options. Notwithstanding anything in the Plan to the contrary, the following additional provisions shall apply to the grant of stock options which are intended to qualify as Incentive Stock Options:
  - (A) The Committee will not grant Incentive Stock Options in which the aggregate Fair Market Value (determined as of the time the Option is granted) of the Shares with respect to which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under this Plan and all other plans of the Company and its Affiliates) shall exceed \$100,000.
  - (B) All Incentive Stock Options must be granted within ten years from the earlier of the date on which this Plan was adopted by the Committee or the date this Plan was approved by the shareholders of the Company.
  - (C) Unless sooner exercised, all Incentive Stock Options shall expire and no longer be exercisable no later than 10 years after the date of grant; *provided, however*, that in the case of a grant of an Incentive Stock Option to a Participant who, at the time such Option is granted, owns (within the meaning of Section 422 of the Code) share possessing more than 10% of the total combined voting power of all classes of shares of the Company or of its Affiliates, such Incentive Stock Option shall expire and no longer be exercisable no later than five years from the date of grant.
  - (D) The purchase price per Share for an Incentive Stock Option shall be not less than 100% of the Fair Market Value of a Share on the date of grant of the Incentive Stock Option; *provided, however*, that, in the case of the grant of an Incentive Stock Option to a Participant who, at the time such Option is granted, owns (within the meaning of Section 422 of the Code) share possessing more than 10% of the total combined voting power of all classes of shares of the Company or of its Affiliates, the purchase price per Share purchasable under an Incentive Stock Option shall be not less than 110% of the Fair Market Value of a Share on the date of grant of the Incentive Stock Option.
  - (E) Any Incentive Stock Option authorized under the Plan shall contain such other provisions as the Committee shall deem advisable, but shall in all events be consistent with and contain all provisions required in order to qualify the Option as an Incentive Stock Option.
- (v) Vesting. The Committee may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, but Options issued to Consultants performing Investor Relations Activities must vest in stages over a minimum of 12 months with no more than ¼ of the Options vesting in any 3 month period.

(b) Share Appreciation Rights. The Committee is hereby authorized to grant Share Appreciation Rights to Eligible Persons subject to the terms of the Plan and any applicable Award Agreement. A Share Appreciation Right granted under the Plan shall confer on the holder thereof a right to receive upon exercise thereof the excess of (i) the Fair Market

Value of one Share on the date of exercise over (ii) the grant price of the Share Appreciation Right as specified by the Committee, which price shall not be less than 100% of the Fair Market Value of one Share on the date of grant of the Share Appreciation Right; provided, *however, that*, subject to applicable law and share exchange rules, the Committee may designate a grant price below Fair Market Value on the date of grant if the Share Appreciation Right is granted in substitution for a share appreciation right previously granted by an entity that is acquired by or merged with the Company or an Affiliate. Subject to the terms of the Plan and any applicable Award Agreement, the grant price, term, methods of exercise, dates of exercise, methods of settlement and any other terms and conditions of any Share Appreciation Right shall be as determined by the Committee (except that the term of each Share Appreciation Right shall be subject to the same limitations in Section 6(a)(ii) applicable to Options). The Committee may impose such conditions or restrictions on the exercise of any Share Appreciation Right as it may deem appropriate.

(c) Restricted Share and Restricted Share Units. The Committee is hereby authorized to grant an Award of Restricted Share and Restricted Share Units to Eligible Persons with the following terms and conditions and with such additional terms and conditions not inconsistent with the provisions of the Plan as the Committee shall determine:

- (i) Restrictions. Shares of Restricted Share and Restricted Share Units shall be subject to such restrictions as the Committee may impose (including, without limitation, any limitation on the right to vote a Share of Restricted Share or the right to receive any dividend or other right or property with respect thereto), which restrictions may lapse separately or in combination at such time or times, in such installments or otherwise as the Committee may deem appropriate. Notwithstanding the foregoing, rights to dividend or Dividend Equivalent payments shall be subject to the limitations described in Section 6(e).
- (ii) Issuance and Delivery of Shares. Any Restricted Share granted under the Plan shall be issued at the time such Awards are granted and may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration or issuance of a share certificate or certificates, which certificate or certificates shall be held by the Company or held in nominee name by the share transfer agent or brokerage service selected by the Company to provide such services for the Plan. Such certificate or certificates shall be registered in the name of the Participant and shall bear an appropriate legend referring to the restrictions applicable to such Restricted Share. Shares representing Restricted Share that are no longer subject to restrictions shall be delivered (including by updating the book-entry registration) to the Participant promptly after the applicable restrictions lapse or are waived. In the case of Restricted Share Units, no Shares shall be issued at the time such Awards are granted. Upon the lapse or waiver of restrictions and the restricted period relating to Restricted Share Units evidencing the right to receive Shares, such Shares shall be issued and delivered to the holder of the Restricted Share Units.
- (iii) Forfeiture. Except as otherwise determined by the Committee or as provided in an Award Agreement, upon a Participant's termination of employment or service or resignation or removal as a Director (in either case, as determined under criteria established by the Committee) during the applicable restriction period, all Shares of Restricted Share and all Restricted Share Units held by such Participant at such time shall be forfeited and reacquired by the Company for cancellation at no cost to the Company; *provided, however*, that the Committee may waive in whole or in part any or all remaining restrictions with respect to Shares of Restricted Share or Restricted Share Units.

(d) Performance Awards. The Committee is hereby authorized to grant Performance Awards to Eligible Persons. A Performance Award granted under the Plan (i) may be denominated or payable in cash, Shares (including, without limitation, Restricted Share and Restricted Share Units), other securities, other Awards or other property and (ii) shall confer on the holder thereof the right to receive payments, in whole or in part, upon the achievement of one or more objective performance goals during such performance periods as the Committee shall establish. Subject to the terms of the Plan, the performance goals to be achieved during any performance period, the length of any performance period, the amount of any Performance Award granted, the amount of any payment or transfer to be made pursuant to any Performance Award and any other terms and conditions of any Performance Award shall be determined by the Committee.

(e) Dividend Equivalents. The Committee is hereby authorized to grant Dividend Equivalents to Eligible Persons under which the Participant shall be entitled to receive payments (in cash, Shares, other securities, other Awards or other property as determined in the discretion of the Committee) equivalent to the amount of cash dividends paid by the Company to holders of Shares with respect to a number of Shares determined by the Committee. Subject to the terms of the Plan and any applicable Award Agreement, such Dividend Equivalents may have such terms and conditions as the Committee shall determine. Notwithstanding the foregoing, (i) the Committee may not grant Dividend Equivalents to Eligible Persons in connection with grants of Options, Share Appreciation Rights or other Awards the value of which is based solely on an increase in the value of the Shares after the date of grant of such Award, and (ii) dividend and Dividend Equivalent amounts may be accrued but shall not be paid unless and until the date on which all conditions or restrictions relating to such Award have been satisfied, waived or lapsed.

(f) Other Share-Based Awards. The Committee is hereby authorized to grant to Eligible Persons such other Awards that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Shares (including, without limitation, securities convertible into Shares), as are deemed by the Committee to be consistent with the purpose of the Plan. The Committee shall determine the terms and conditions of such Awards, subject to the terms of the Plan and any applicable Award Agreement. No Award issued under this Section 6(f) shall contain a purchase right or an option-like exercise feature.

(g) General Consideration for Awards. Awards may be granted for no cash consideration or for any cash or other consideration as may be determined by the Committee or required by applicable law.

- (i) Limits on Transfer of Awards. Except as otherwise provided by the Committee in its discretion and subject to such additional terms and conditions as it determines, no Award (other than fully vested and unrestricted Shares issued pursuant to any Award) and no right under any such Award shall be transferable by a Participant other than by will or by the laws of descent and distribution, and no Award (other than fully vested and unrestricted Shares issued pursuant to any Award) or right under any such Award may be pledged, alienated, attached or otherwise encumbered, and any purported pledge, alienation, attachment or encumbrance thereof shall be void and unenforceable against the Company or any Affiliate. Where the Committee does permit the transfer of an Award other than a fully vested and unrestricted Share, such permitted transfer shall be for no value and in accordance with all applicable securities rules. The Committee may also establish procedures as it deems appropriate for a Participant to designate a person or persons, as beneficiary or beneficiaries, to exercise the rights of the Participant and receive any property distributable with respect to any Award in the event of the Participant's death. In the event of a Participant's death, any unexercised, options issued to such Participant shall be exercisable within a period of one year next succeeding the year in which the Participant died, unless such exercise period is extended by the Committee and approval is obtained from the stock exchange on which the Shares then trade, as applicable.
- (ii) Restrictions; Securities Exchange Listing. All Shares or other securities delivered under the Plan pursuant to any Award or the exercise thereof shall be subject to such restrictions as the Committee may deem advisable under the Plan, applicable federal, provincial or state securities laws and regulatory requirements, and the Committee may cause appropriate entries to be made with respect to, or legends to be placed on the certificates for, such Shares or other securities to reflect such restrictions. The Company shall not be required to deliver any Shares or other securities covered by an Award unless and until the requirements of any federal, provincial or state securities or other laws, rules or regulations (including the rules of any securities exchange) as may be determined by the Company to be applicable are satisfied.
- (iii) Prohibition on Option and Share Appreciation Right Repricing. Except as provided in Section 4(c) hereof, the Committee may not, without prior approval of the Company's shareholders and applicable share exchange approval, seek to effect any repricing of any previously granted, "underwater" Option or Share Appreciation Right by: (i) amending or modifying the terms of the Option or Share Appreciation Right to lower the exercise price; (ii) canceling the underwater Option or Share Appreciation Right and granting either replacement Options or Share Appreciation Rights having a lower exercise price; or Restricted Share, Restricted Share Units, Performance Award or Other Share-Based Award in exchange; or (iii) cancelling or repurchasing the underwater Option or Share Appreciation Right for cash or other securities. An Option or Share Appreciation Right will be deemed to be "underwater" at any time when the Fair Market Value of the Shares covered by such Award is less than the exercise price of the Award.
- (iv) Section 409A Provisions. Notwithstanding anything in the Plan or any Award Agreement to the contrary, to the extent that any amount or benefit that constitutes "deferred compensation" to a Participant under Section 409A and applicable guidance thereunder is otherwise payable or distributable to a Participant under the Plan or any Award Agreement solely by reason of the occurrence of a change in control or due to the Participant's disability or "separation from service" (as such term is defined under Section 409A), such amount or benefit will not be payable or distributable to the Participant by reason of such circumstance unless the Committee determines in good faith that (i) the circumstances giving rise to such change in control event, disability or separation from service meet the definition of a change in control event, disability, or separation from service, as the case may be, in Section 409A(a)(2)(A) of the Code and applicable proposed or final regulations, or (ii) the payment or distribution of such amount or benefit would be exempt from the application of Section 409A by reason of the short-term deferral exemption or otherwise. Any payment or distribution that otherwise would be made to a Participant who is a Specified Employee (as determined by the Committee in good faith) on account of separation from service may not be made before the date which is six months after the date of the Specified Employee's separation from service (or if earlier, upon the Specified Employee's death) unless the payment or distribution is exempt from the application of Section 409A by reason of the short-term deferral exemption or otherwise.
- (v) Acceleration of Vesting or Exercisability. No Award Agreement shall accelerate the exercisability of any Award or the lapse of restrictions relating to any Award in connection with a change-in-control event, unless such acceleration occurs upon the consummation of (or effective immediately prior to the consummation of, provided that the consummation subsequently occurs) such change-in-control event.

#### **Section 7. Amendment and Termination; Corrections**

- (a) Amendments to the Plan and Awards. The Committee may from time to time amend, suspend or terminate this Plan, and the Committee may amend the terms of any previously granted Award, *provided that* no amendment to the terms of any previously granted Award may (except as expressly provided in the Plan) materially and adversely alter or impair the terms or conditions of the Award previously granted to a Participant under this Plan without the written consent of the Participant or holder thereof. Any amendment to this Plan, or to the terms of any Award previously granted, is subject to compliance with all applicable laws, rules, regulations and policies of any applicable governmental entity or securities exchange, including receipt of any required approval from the governmental entity or share exchange. For greater certainty and without limiting the foregoing, the Committee may amend, suspend, terminate or discontinue the Plan, and the Committee may amend or alter any previously granted Award, as applicable, without obtaining the approval of shareholders of the Company in order to:

- (i) amend the eligibility for, and limitations or conditions imposed upon, participation in the Plan;
- (ii) amend any terms relating to the granting or exercise of Awards, including but not limited to terms relating to the amount and payment of the exercise price, or the vesting, expiry, assignment or adjustment of Awards, or otherwise waive any conditions of or rights of the Company under any outstanding Award, prospectively or retroactively;
- (iii) make changes that are necessary or desirable to comply with applicable laws, rules, regulations and policies of any applicable governmental entity or share exchange (including amendments to Awards necessary or desirable to avoid any adverse tax results under Section 409A), and no action taken to comply shall be deemed to impair or otherwise adversely alter or impair the rights of any holder of an Award or beneficiary thereof; or
- (iv) amend any terms relating to the administration of the Plan, including the terms of any administrative guidelines or other rules related to the Plan.

Notwithstanding the foregoing and for greater certainty, prior approval of the shareholders of the Company shall be required for any amendment to the Plan or an Award that would:

- (i) require shareholder approval under the rules or regulations of securities exchange that is applicable to the Company;
- (ii) permit repricing of Options or Share Appreciation Rights, which is currently prohibited by Section 6(g)(v) of the Plan;
- (iii) permit the award of Options or Share Appreciation Rights at a price less than 100% of the Fair Market Value of a Share on the date of grant of such Option or Share Appreciation Right, contrary to the provisions of Section 6(a)(i) and Section 6(b) of the Plan;
- (iv) permit Options to be transferable other than for normal estate settlement purposes;
- (v) amend this Section 7(a); or
- (vi) increase the maximum term permitted for Options and Share Appreciation Rights as specified in Section 6(a) and Section 6(b) or extend the terms of any Options beyond their original expiry date.

(b) Corporate Transactions. In the event of any reorganization, merger, consolidation, split-up, spin-off, combination, plan of arrangement, take-over bid or tender offer, repurchase or exchange of Shares or other securities of the Company or any other similar corporate transaction or event involving the Company (or the Company shall enter into a written agreement to undergo such a transaction or event), the Committee or the Board may, in its sole discretion, provide for any of the following to be effective upon the consummation of the event (or effective immediately prior to the consummation of the event, *provided that* the consummation of the event subsequently occurs), and no action taken under this Section 7(b) shall be deemed to impair or otherwise adversely alter the rights of any holder of an Award or beneficiary thereof:

- (i) either (A) termination of the Award, whether or not vested, in exchange for an amount of cash and/or other property, if any, equal to the amount that would have been attained upon the exercise of the vested portion of the Award or realization of the Participant's vested rights (and, for the avoidance of doubt, if, as of the date of the occurrence of the transaction or event described in this Section 7(b)(i)(A), the Committee or the Board determines in good faith that no amount would have been attained upon the exercise of the Award or realization of the Participant's rights, then the Award may be terminated by the Company without any payment) or (B) the replacement of the Award with other rights or property selected by the Committee or the Board, in its sole discretion;
- (ii) that the Award be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar options, rights or awards covering the share of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;
- (iii) that, subject to Section 6(g)(vi), the Award shall be exercisable or payable or fully vested with respect to all Shares covered thereby, notwithstanding anything to the contrary in the applicable Award Agreement; or
- (iv) that the Award cannot vest, be exercised or become payable after a date certain in the future, which may be the effective date of the event.

(c) Correction of Defects, Omissions and Inconsistencies. The Committee may, without prior approval of the shareholders of the Company, correct any defect, supply any omission or reconcile any inconsistency in the Plan or in any Award or Award Agreement in the manner and to the extent it shall deem desirable to implement or maintain the effectiveness of the Plan.

#### **Section 8. Income Tax Withholding**

In order to comply with all applicable federal, state, local or foreign income tax laws or regulations, the Company may take such action as it deems appropriate to ensure that all applicable federal, state, local or foreign payroll, withholding,

income or other taxes, which are the sole and absolute responsibility of a Participant, are withheld or collected from such Participant. Without limiting the foregoing, in order to assist a Participant in paying all or a portion of the applicable taxes to be withheld or collected upon exercise or receipt of (or the lapse of restrictions relating to) an Award, the Committee, in its discretion and subject to such additional terms and conditions as it may adopt, may permit the Participant to satisfy such tax obligation by (a) electing to have the Company withhold a portion of the Shares otherwise to be delivered upon exercise or receipt of (or the lapse of restrictions relating to) such Award with a Fair Market Value equal to the amount of such taxes (subject to any applicable limitations under ASC Topic 718 to avoid adverse accounting treatment) or (b) delivering to the Company Shares other than Shares issuable upon exercise or receipt of (or the lapse of restrictions relating to) such Award with a Fair Market Value equal to the amount of such taxes. The election, if any, must be made on or before the date that the amount of tax to be withheld is determined.

**Section 9. U.S. Securities Laws**

Neither the Awards nor the securities which may be acquired pursuant to the exercise of the Awards have been registered under the Securities Act or under any securities law of any state of the United States of America and are considered "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act and any Shares shall be affixed with an applicable restrictive legend as set forth in the Award Agreement. The Awards may not be offered or sold, directly or indirectly, in the United States except pursuant to registration under the U.S. Securities Act and the securities laws of all applicable states or available exemptions therefrom, and the Company has no obligation or present intention of filing a registration statement under the U.S. Securities Act in respect of any of the Awards or the securities underlying the Awards, which could result in such U.S. Award Holder not being able to dispose of any Shares issued on exercise of Awards for a considerable length of time. Each U.S. Award Holder or anyone who becomes a U.S. Award Holder, who is granted an Award in the United States, who is a resident of the United States or who is otherwise subject to the Securities Act or the securities laws of any state of the United States will be required to complete an Award Agreement which sets out the applicable United States restrictions.

**Section 10. General Provisions**

(a) No Rights to Awards. No Eligible Person, Participant or other Person shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of Eligible Persons, Participants or holders or beneficiaries of Awards under the Plan. The terms and conditions of Awards need not be the same with respect to any Participant or with respect to different Participants.

(b) Award Agreements. No Participant shall have rights under an Award granted to such Participant unless and until an Award Agreement shall have been signed by the Participant (if requested by the Company), or until such Award Agreement is delivered and accepted through an electronic medium in accordance with procedures established by the Company. An Award Agreement need not be signed by a representative of the Company unless required by the Committee. Each Award Agreement shall be subject to the applicable terms and conditions of the Plan and any other terms and conditions (not inconsistent with the Plan) determined by the Committee.

(c) Plan Provisions Control. In the event that any provision of an Award Agreement conflicts with or is inconsistent in any respect with the terms of the Plan as set forth herein or subsequently amended, the terms of the Plan shall control.

(d) No Rights of Shareholders. Except with respect to Shares issued under Awards (and subject to such conditions as the Committee may impose on such Awards pursuant to Section 6(c)(i) or Section 6(e)), neither a Participant nor the Participant's legal representative shall be, or have any of the rights and privileges of, a shareholder of the Company with respect to any Shares issuable upon the exercise or payment of any Award, in whole or in part, unless and until such Shares have been issued.

(e) No Limit on Other Compensation Arrangements. Nothing contained in the Plan shall prevent the Company or any Affiliate from adopting or continuing in effect other or additional compensation plans or arrangements, and such plans or arrangements may be either generally applicable or applicable only in specific cases.

(f) No Right to Employment. The grant of an Award shall not be construed as giving a Participant the right to be retained as an employee of the Company or any Affiliate, nor will it affect in any way the right of the Company or an Affiliate to terminate a Participant's employment at any time, with or without cause, in accordance with applicable law. In addition, the Company or an Affiliate may at any time dismiss a Participant from employment free from any liability or any claim under the Plan or any Award, unless otherwise expressly provided in the Plan or in any Award Agreement. Nothing in this Plan shall confer on any person any legal or equitable right against the Company or any Affiliate, directly or indirectly, or give rise to any cause of action at law or in equity against the Company or an Affiliate. Under no circumstances shall any person ceasing to be an employee of the Company or any Affiliate be entitled to any compensation for any loss of any right or benefit under the Plan which such employee might otherwise have enjoyed but for termination of employment, whether such compensation is claimed by way of damages for wrongful or unfair dismissal, breach of contract or otherwise. By participating in the Plan, each Participant shall be deemed to have accepted all the conditions of the Plan and the terms and conditions of any rules and regulations adopted by the Committee and shall be fully bound thereby.

(g) Governing Law. The internal law, and not the law of conflicts, of the Province of Ontario shall govern all questions concerning the validity, construction and effect of the Plan or any Award, and any rules and regulations relating to the Plan or any Award.

(h) Severability. If any provision of the Plan or any Award is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of



the Plan or the Award, such provision shall be stricken as to such jurisdiction or Award, and the remainder of the Plan or any such Award shall remain in full force and effect.

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

(j) Other Benefits. No compensation or benefit awarded to or realized by any Participant under the Plan shall be included for the purpose of computing such Participant's compensation or benefits under any pension, retirement, savings, profit sharing, group insurance, disability, severance, termination pay, welfare or other benefit plan of the Company, unless required by law or otherwise provided by such other plan.

(k) No Fractional Shares. No fractional Shares shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine whether cash shall be paid in lieu of any fractional Share or whether such fractional Share or any rights thereto shall be canceled, terminated or otherwise eliminated.

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

**Section 11. Clawback or Recoupment**

All Awards under this Plan shall be subject to recovery or other penalties pursuant to (i) any Company clawback policy, as may be adopted or amended from time to time, or (ii) any applicable law, rule or regulation or applicable share exchange rule.

**Section 12. Effective Date of the Plan**

The Plan was adopted by the Board on September 15, 2022.

**Section 13. Term of the Plan**

No Award shall be granted under the Plan, and the Plan shall terminate, on the earlier of (i) the tenth anniversary of the date the Plan is approved by the shareholders of the Company, and (ii) the date of discontinuation or termination established pursuant to Section 7(a) of the Plan. Unless otherwise expressly provided in the Plan or in an applicable Award Agreement, any Award theretofore granted may extend beyond such dates, and the authority of the Committee provided for hereunder with respect to the Plan and any Awards, and the authority of the Committee to amend the Plan, shall extend beyond the termination of the Plan.