



PRIME DRINK GROUP CORP.

INFORMATION CIRCULAR

OF

ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON MARCH 12, 2026 AT 11:00 AM (EST)

JANUARY 28, 2026

1000 Sherbrooke West, 27th Floor
Montreal, Québec H3A 3G4

PRIME DRINK GROUP CORP.
(the “Corporation”)

MANAGEMENT INFORMATION CIRCULAR

(Containing information as at January 28, 2026 unless indicated otherwise)

In this Information Circular, references to the “Corporation”, “we” and “our” refer to Prime Drink Group Corp. “Common Shares” means common shares in the capital of the Corporation and “Shareholders” means the holders of Common Shares. “Registered Shareholders” means Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares. “Non-Registered Shareholders” means Shareholders who do not hold Common Shares in their own name. “Intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Non-Registered Shareholders.

SOLICITATION OF PROXIES

The management of the Corporation solicits proxies to be used at the annual general meeting of Shareholders (the “Meeting”) of the Corporation to be held at the time and place and for the purposes set forth in the attached Notice of Meeting and at any adjournment thereof. The cost of this solicitation will be borne by the Corporation. Accordingly, the management of the Corporation has drafted this management information circular (the “Circular”) that it is sending to all the security holders entitled to receive a Notice of Meeting.

Only Registered Shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting. Shareholders who attend the Meeting virtually will not be able to vote at the Meeting. Non-Registered Shareholders who have not duly appointed themselves as proxyholder will not be able to vote or ask questions at the Meeting but will be able to participate as a “guest”.

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. We have arranged to send the Notice of Meeting and the Circular (collectively, the “**Meeting Materials**”) directly to Registered Shareholders, as well as Non-Registered Shareholders who have consented to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (non-objecting beneficial owners).

We have arranged for Intermediaries to forward the Meeting Materials to Non-Registered Shareholders who have objected to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (objecting beneficial owners) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and we may reimburse the Intermediaries for their reasonable fees and disbursements in that regard.

APPOINTMENT OF PROXYHOLDER AND RIGHT OF REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors and officers of the Corporation. **A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of proxy. A Shareholder wishing to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person’s name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.**

A Shareholder may revoke a proxy at any time by an instrument in writing executed by him or, if the Shareholder is a Corporation, under its corporate seal or by an officer or attorney thereof duly authorized in writing, and filed at the offices of Computershare, at the same address and within the same delays as mentioned above, or two business days preceding the date the Meeting resumes if it is adjourned, or remitted to the chairman of such Meeting on the day of the Meeting or any adjournment thereof by:

- (a) 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 Computershare, 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; or
- (b) personally attending the Meeting and voting the Registered Shareholder's Common Shares.

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

Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf. If you are a Non-Registered Shareholder, see section "Non-Registered Shareholders" below for further information on how to vote your Common Shares.

REGISTERED SHAREHOLDERS

Registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. To submit their proxy vote, a registered shareholder must complete, date and sign the Proxy and return it to the Corporation's transfer agent, Computershare Investor Services Inc. ("Computershare") by 10:00 a.m. (EST) on March 10, 2026 using one of the following methods:

- (a) complete, date and sign the Proxy and return it to Computershare, by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to 320 Bay Street, 14th Floor, Toronto, Ontario, M5H 4A6 or by hand delivery at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9; or
- (b) use a touch-tone phone to transmit voting choices to the toll-free number given in the Proxy. Registered Shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed Proxy for the toll-free number and the holder's 15-digit control number; or
- (c) via the internet at Computershare's website, www.investorvote.com. Registered Shareholders must follow the instructions provided and refer to the enclosed Proxy for the holder's 15-digit control number.

In all cases the Registered Shareholder must ensure the proxy is received by Computershare at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment thereof, at which the Proxy is to be used. Failure to complete or deposit a proxy properly may result in its invalidation. The time limit for the deposit of proxies may be waived by the Corporation's board of directors (the "**Board**") at the discretion of the Board without notice.

EXERCISE OF DISCRETION BY PROXIES

The management undertakes to respect the holder's instructions.

In the absence of any indication, the agent will exercise the right to vote in favour of each question defined on the form of proxy, in the Notice of Meeting or in the Circular.

Unless otherwise specified herein, all resolutions will be adopted by a simple majority of the votes represented at the Meeting.

Management does not know and cannot foresee as at the present time any amendments or new points to be brought before the Meeting. If such amendments or new points were to be brought before the Meeting, the persons named in the enclosed form of proxy will vote on such matters in the way they consider advisable.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital stock of the Corporation consists of an unlimited number of common shares (“**Common Shares**”) without par value. As at January 28, 2026 there were 372,970,512 Common Shares issued and outstanding. Each Common Share confers upon its holder the right to one vote.

The board of directors of the Corporation (the “**Board**”) fixed the close of business on January 28th, 2026 as the record date (the “**Record Date**”) for determining which shareholders shall be entitled to receive notice of the Meeting, but failure to receive such notice does not deprive a shareholder of his right to vote at the Meeting.

As of the Record Date, to the knowledge of the Corporation’s directors and executive officers, no person beneficially owns, controls or directs, directly or indirectly, 10% or more of the number of the issued and outstanding shares of the Corporation, other than as set forth below:

Name of Shareholder	Number of Shares Owned	Percentage of Outstanding Shares
9296-0186 Quebec Inc.	75,200,000	20.10%

NON-REGISTERED SHAREHOLDERS

Only Registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a person are not registered in his or her name but are held in the name of an intermediary, which is usually a security broker, a trust corporation or other financial institutions, or in the name of a clearing agency (such as the CDS Clearing and Depository Services Inc.) of which the intermediary is a participant. In accordance with National Instrument 54-101 of the Canadian Securities Administrators (the “**CSA**”) – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has distributed copies of the Meeting Materials to the intermediaries which are required to forward the Meeting Materials to non-registered holders unless the non-registered holders have waived the right to receive them. Intermediaries very often call on service companies to forward the Meeting Materials to non-registered holders. **Each intermediary has its own signing and return instructions, which a Non-Registered Shareholder should follow carefully to ensure that his or her shares are voted.** The form of proxy supplied to a Non-Registered Shareholder by its broker is similar to the form of proxy provided by the Corporation to the Registered Shareholder. However, its purpose is limited to instructing the Registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Non-Registered Shareholder.

Should a Non-Registered Shareholder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should print his or her own name, or that of such other person, on the voting instruction form and return it to the intermediary or its service corporation. Should a Non-Registered Shareholder who receives a proxy form wish to vote at the Meeting in person (or have another person attend

and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the names of the persons set out in the proxy form and insert the name of the Non-Registered Shareholder or such other person in the blank space provided and submit it to Computershare at the address set out above.

A non-registered holder may revoke voting instructions which have been given to an intermediary at any time by written notice to the intermediary.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

At the date of this Circular, to the best of its knowledge and except as disclosed this Circular, management of the Corporation is not aware of any director or executive officer, present or nominated hereunder, or any associate or affiliate of such persons, who, since the beginning of the Corporation's last financial year, has an interest, direct or indirect, in any matter to be acted upon at the Meeting, except that such persons may be directly involved in the normal business of the Meeting or the general affairs of the Corporation.

MATTERS FOR CONSIDERATION

1. Presentation of Financial Statements

The audited financial statements of the Corporation for the financial year ended March 31, 2025 and the independent auditor's report thereon will be presented before the Meeting. The audited financial statements have been mailed to shareholders who have informed the Corporation that they wish to receive a copy of such documents. No vote will be taken on the audited financial statements. These financial statements were filed on SEDAR+ at www.sedarplus.ca. Additional copies of the financial statements may be obtained from the Corporation on request.

2. Appointment of Auditors

The Shareholders of the Corporation have lastly approved the appointment of MNP LLP ("**MNP**") as auditors of the Corporation at the annual shareholders meeting of the Corporation held on September 16, 2024. On June 30, 2025, HORIZON ASSURANCE LLP, chartered professional accountants ("**Horizon**"), was appointed to replace MNP as the auditors of the Corporation (the "**Change of Auditors**").

There were no "reportable events" between the Corporation and MNP within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**"). In accordance with the applicable provisions of NI 51-102, a notice of change of auditors was sent by the Corporation to MNP which provided a letter to the applicable securities regulatory authority in each province where the Corporation is a reporting issuer, stating that each agreed with the statements set forth in such notice of change of auditor.

The "reporting package" (as defined in NI 51-102) in respect of the change of auditor includes the notices of change of auditor and the letters from the predecessor auditors and successor auditors to the applicable securities regulatory authorities as described above. The reporting package was filed under the Corporation's profile on SEDAR+ at www.sedarplus.ca, and is attached as Schedule "C" to this information circular.

At the Meeting, the shareholders of the Corporation are being asked to pass an ordinary resolution to ratify the Change of Auditors and approve the appointment of Horizon as the auditors of the Corporation until the close of the next annual meeting of the shareholders at a remuneration to be fixed by the Board of the Corporation.

“THEREFORE BE IT RESOLVED, as an ordinary resolution, that:

1. the change of auditors from MNP LLP to HORIZON ASSURANCE LLP (“**Horizon**”) and the appointment of Horizon as the auditors of the Corporation for the financial period ended March 31, 2025 be and hereby are ratified and confirmed;
2. the appointment of Horizon as the auditors of the Corporation until the next annual meeting of shareholders and the authorization of the board of directors to fix their remuneration be and hereby are ratified, confirmed and approved;
3. any officer or director of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute and deliver all such documents and to do all such other acts and things as he or she may determine to be necessary or advisable to give effect to this resolution.”

This proposal requires the approval of a majority of the votes cast by the holders of Common Shares present, in person or represented by proxy, at the Meeting.

Unless such authority is withheld, the persons designated in the enclosed form of proxy will vote FOR the ratification of change of auditors and the appointment of Horizon as auditors of the Corporation, for the current financial year and the authorization to the directors to establish the auditors’ compensation.

3. Number of Directors

Shareholders of the Corporation will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution fixing the number of directors to be elected at the Meeting. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by shareholders who vote in respect of the resolution. At the Meeting, it will be proposed that four (4) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. **Unless otherwise directed, the persons named in the form of proxy intend to vote “FOR” the ordinary resolution fixing the number of directors to be elected at the Meeting at four (4)**

4. Election of Directors

The business of the Corporation is currently managed by a Board consisting of four (4) directors. The shareholders will be called upon to elect four (4) directors to serve for the ensuing year, subject to the power of the Board to appoint additional directors between annual meetings, until the next annual meeting of shareholders or until their respective successors are duly elected or appointed, unless their respective office is earlier vacated in accordance with the By-laws of the Corporation. At the Meeting, the persons named hereunder will be proposed for election as directors of the Corporation for the forthcoming year. You can vote for or against all of these proposed directors, vote for some of them and against for others, or against for all of them.

Unless such authority is withheld, the persons designated in the enclosed form of proxy will vote FOR the election of each of the persons named hereunder as directors of the Corporation.

This proposal requires the approval of a majority of the votes cast by the holders of Common Shares entitled to vote in person or represented by proxy at the Meeting. Management does not contemplate that any nominee will be unable or unwilling to serve as a director.

The following table sets forth certain information concerning the persons nominated for election as directors of the Corporation, including the office presently held in the Corporation, their principal occupation and the number of Common Shares over which they exercise control.

Name, Residence and Office Held	Age	Director Since	Principal Occupation	Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽¹⁾
Alexandre Côté ⁽¹⁾⁽²⁾ Montreal, QC Director	53	December 21 st , 2020	Businessman	2,238,580 (0.006%)
Germain Turpin ⁽¹⁾⁽²⁾ Lac Simon, QC Director	79	December 18, 2019	Director and Former President and CEO of the Corporation	33,148,753 (8.88%)
Raimondo Messina ⁽¹⁾ Laval, QC Director	49	November 18, 2022	Businessman and CPA	27,500,000 (7.37%)
Dominique Primeau ⁽²⁾ Sainte Martine, QC Director	64	July 11, 2023	Businessman	-

Notes:

- (1) Each nominee as director supplied the information concerning the number of Common Shares over which he exercises control or direction.
- (2) Member of the Audit Committee.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as described below, to the best of the Corporation's knowledge, after having made due inquiry, the Corporation confirms that no proposed director of the Corporation:

- (a) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company, including the Corporation, that while that person was acting in that capacity:
 - (i) was subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
 - (ii) was subject to an event that resulted, after the proposed director ceased to be a director, chief executive officer or chief financial officer, in the company being the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director or executive officer of any company, including the 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;
- (c) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings,

- arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; and
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, nor has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in deciding whether to vote for a proposed director.

5. Adoption of New Omnibus Plan

On January 28, 2026, the Board determined that it is in the best interests of the Corporation to adopt an omnibus equity incentive compensation plan (the “**New Omnibus Plan**”) in order to provide the Corporation and the Board with greater flexibility in respect of the types of non-transferable equity-based incentive awards (“**Awards**”) that are available to the Board for grant to eligible Participants (as defined in the form of New Omnibus Plan attached as Schedule “D” hereto), which Awards include options (“**Options**”), Share Appreciation Rights (the “**SARs**”), Deferred Share Units (“**DSUs**”), Restricted Share Units (“**RSUs**”) or Performance Share Units (“**PSUs**”).

At the Meeting, management of the Corporation will be asking Shareholders to approve the New Omnibus Plan by ordinary resolution with an effective date of March 12, 2026. The Omnibus Plan will replace the Corporation’s existing 10% rolling omnibus plan, as detailed described in the Circular.

The purpose of the New Omnibus Plan is to provide an incentive to directors, officers, employees, or consultants to acquire a proprietary interest in the Corporation, to continue their participation in the affairs of the Corporation, to increase their efforts on behalf of the Corporation, and to reward or compensate their contributions towards the long-term goals of the Corporation.

The following summary is a summary only and is qualified in its entirety by reference to New Omnibus Plan.

The New Omnibus Plan is administered by the Board (or a committee thereof) and will provide that the Board may from time to time, in its discretion, and in accordance with CSE requirements, grant to eligible Participants the Awards.

The number of Common Shares reserved for issuance pursuant to Options granted under the New Omnibus Plan will not, in the aggregate, exceed 10% of the then issued and outstanding Common Shares on a rolling basis. In addition, the maximum number of Common Shares issuable pursuant to SARs, RSUs, DSUs and PSUs issued under the New Omnibus Plan shall not exceed, in the aggregate, exceed 37,297,051 Common Shares.

The New Omnibus Plan is an “evergreen” plan, meaning that Common Shares underlying Awards which have been cancelled, terminated, surrendered, forfeited, paid out in cash (other than Options which cannot be paid out in cash), or expired without being exercised shall be available for subsequent grants under the New Omnibus Plan, and the number of Options available to grant increases as the number of issued and outstanding Common Shares increases.

The maximum number of Common Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Common Shares, unless disinterested shareholder approval as required by the policies of the CSE is obtained, or 2% in the case of a grant of Awards to any consultant or persons (in the aggregate) retained to provide Investor Relations Activities (as defined by the CSE). Further, unless disinterested shareholder approval as required by the policies of the CSE is obtained:

1. the maximum number of Common Shares for which Awards may be issued to insiders of the Corporation (as a group) at any point in time shall not exceed 10% of the outstanding Common Shares; and
2. the aggregate number of Awards granted to insiders of the Corporation (as a group), within any 12-month period, shall not exceed 10% of the outstanding Common Shares.

On a Change of Control (as defined in the New Omnibus Plan) of the Corporation, the Board shall have discretion as to the treatment of Awards, including whether to:

- (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any Awards;
- (ii) permit the conditional exercise of any Awards, on such terms as it sees fit;
- (iii) otherwise amend or modify the terms of any Awards; or
- (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, unexercised Awards.

If there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, on the Termination Date (as defined in the New Omnibus Plan), if the Participant is an employee, officer, or a director and their employment, or officer or director position is terminated, or they resign for Good Reason (as defined in the New Omnibus Plan) within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the CSE is either obtained or not required.

The following is a summary of the various types of Awards issuable under the New Omnibus Plan.

Options

Each Option entitles the holder thereof to purchase a prescribed number of Common Shares at an exercise price determined by the Board, and until the expiry date determined by the Board, at the time of the grant of the Option, subject to requirements of the CSE. Subject to a limited extension if an Option expires during a Black-Out Period (as defined in the New Omnibus Plan), Options may be exercised for a period of up to ten years after the grant date, provided that:

- (i) upon a Participant's termination for Cause (as defined in the New Omnibus Plan), all Options, whether vested or not as at the Termination Date will automatically and immediately expire and be forfeited;
- (ii) upon the death of a Participant, all unvested Options as at the Termination Date shall automatically and immediately vest, and all vested Options will continue to be subject to the New Omnibus Plan and be exercisable for a period of 90 days after the Termination Date;
- (iii) in the case of the Disability (as defined in the New Omnibus Plan) of a Participant, all Options shall remain and continue to vest (and be exercisable) in accordance with the terms of the New Omnibus Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date;
- (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such Options, to determine whether to accelerate the vesting of such Options, cancel such Options with or without payment, and determine how long, if at all, such Options may remain outstanding

following the Termination Date, provided, however, that in no event shall such Options be exercisable for more than 12 months after the Termination Date;

- (v) in all other cases where a Participant ceases to be eligible under the New Omnibus Plan, including a termination without Cause or a voluntary resignation, unless otherwise determined by the Board, all unvested Options shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested Options will continue to be subject to the New Omnibus Plan and be exercisable for a period of 90 days after the Termination Date.

In no event will an exercise price of an Option be lower than the last closing price of the Common Shares on the CSE less any discount permitted by the rules or policies of the CSE at the time the Option is granted. Subject to any vesting restrictions imposed by the CSE, or as may otherwise be determined by the Board at the time of grant, Options shall vest equally over a two-year period such that $\frac{1}{4}$ of the Options shall vest on every six months from the date that the Options were granted.

Share Appreciation Rights

A SAR is a right to receive, upon exercise, the excess of the fair market value of one Common Share on the date of exercise over the grant price of the SAR, as determined by the Board. SARs may be issued together with Options or as standalone awards. Upon the exercise of a SAR, a Participant shall be entitled to receive payment from the Corporation in an amount representing the difference between the fair market value of the underlying Common Shares on the date of exercise over the grant price of the SAR. At the discretion of the Board, the payment upon the exercise of a SAR may be in cash, Common Shares of equivalent value, in some combination thereof, or in any other form approved by the Board in its sole discretion. Subject to any requirements of the CSE, the Board may determine the vesting terms and expiry date of each SAR. Subject to a limited extension if a SAR expires during a Black-Out Period, SARs will not be exercisable later than the tenth anniversary date of its grant. Subject to compliance with the rules of the CSE, the Board may determine, at the time of grant, the treatment of SARs upon a Participant ceasing to be eligible to participate in the New Omnibus Plan.

Restricted Share Units

A RSU is a right to receive, for no additional cash consideration, securities of the Corporation upon specified vesting criteria being satisfied, and subject to the terms and conditions of the New Omnibus Plan and the applicable Award agreement. Subject to any requirements of the CSE, the Board may determine the expiry date of each RSU. Subject to a limited extension if an RSU expires during a Black-Out Period (as defined in the New Omnibus Plan), RSUs may vest and be paid out for a period of up to three years after the grant date, provided that:

3. upon a Participant's termination for Cause, all RSUs, whether vested (if not yet paid out) or not as at the Termination Date will automatically and immediately expire and be forfeited;
4. upon the death of a Participant, all unvested RSUs as at the Termination Date shall automatically and immediately vest and be paid out;
5. in the case of the Disability of a Participant, all RSUs shall remain and continue to vest in accordance with the terms of the New Omnibus Plan for a period of 12 months after the Termination Date, provided that any RSUs that have not been vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date;
6. in the case of the retirement of a Participant, the Board shall have discretion, with respect to such RSUs, to determine whether to accelerate the vesting of such RSUs, cancel such RSUs with or without payment and determine how long, if at all, such RSUs may remain outstanding following

the Termination Date, provided, however, that in no event shall such RSUs be exercisable for more than 12 months after the Termination Date; and

7. in all other cases where a Participant ceases to be eligible under the New Omnibus Plan, including a termination without Cause or a voluntary resignation, unless otherwise determined by the Board, all unvested RSUs shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested RSUs will be paid out in accordance with the New Omnibus Plan.

The number of RSUs to be issued to any Participant will be determined by the Board at the time of grant. Each RSU will entitle the holder to receive at the time of vesting for each RSU held, either one Common Share or a cash payment equal to the fair market value of a Common Share or a combination of the two, at the election of the Board. In addition, the Board may determine that holders of RSUs be credited with consideration equivalent to dividends declared by the Board and paid on outstanding Common Shares. In the event settlement is made by payment in cash, such payment shall be made by the earlier of (i) 2½ months after the close of the year in which the restrictions on the RSU were satisfied or lapsed and (ii) December 31 of the second year following the year of the grant date. Subject to any vesting restrictions imposed by the CSE, or as may otherwise be determined by the Board at the time of grant, RSUs shall vest equally over a two-year period such that 1/2 of the RSUs shall vest on each of the first and second anniversary dates of the date that the RSUs were granted.

Deferred Share Units

A DSU is a right granted to a Participant to receive, for no additional cash consideration, securities of the Corporation on a deferred basis upon specified vesting criteria being satisfied, subject to the terms and conditions of the New Omnibus Plan and the applicable Award agreement. The number and terms of DSUs to be issued to any Participant will be determined by the Board at the time of grant. Each DSU will entitle the holder to receive at the time of settlement, for each DSU held, one Common Share, a cash payment equal to the fair market value of one Common Share, or a combination of the two, at the election of the Board. In addition, the Board may determine that holders of DSUs be credited with consideration equivalent to dividends declared by the Board and paid on outstanding Common Shares. Subject to any requirements of the CSE, the Board may determine the vesting terms and expiry date of each DSU, provided that if a DSU would otherwise settle or expire during a Black-Out Period, the Board may extend such date. Subject to compliance with the rules of the CSE, the Board may determine, at the time of grant, the treatment of DSUs upon a Participant ceasing to be eligible to participate in the New Omnibus Plan.

Performance Share Units

A PSU is a right awarded to a Participant to receive, for no additional cash consideration, securities of the Corporation upon specified performance and vesting criteria being satisfied, subject to the terms and conditions of the New Omnibus Plan and the applicable Award agreement. The number and terms (including applicable performance criteria) of PSUs to be issued to any Participant will be determined by the Board at the time of grant. Each PSU will entitle the holder to receive at the time of settlement, for each PSU held, one Common Share, a cash payment equal to the fair market value of one Common Share, or a combination of the two, at the election of the Board. In addition, the Board may determine that holders of PSUs be credited with consideration equivalent to dividends declared by the Board and paid on outstanding Common Shares. Subject to any requirements of the CSE, the Board may determine the vesting terms and expiry date of each PSU, provided that in no event will delivery of Common Shares or payment of any cash amounts be made later than the earlier of (i) 2½ months after the close of the year in which the performance conditions or restrictions are satisfied or lapse, and (ii) December 31 of the third year following the year of the grant date. Subject to compliance with the rules of the CSE, the Board may determine, at the time of grant, the treatment of PSUs upon a Participant ceasing to be eligible to participate in the New Omnibus Plan.

CSE Policy

The New Omnibus Plan as described above in this Information Circular, is an “evergreen plan” (also known as a rolling plan) under the policies of the Canadian Securities Exchange (the “CSE”). In accordance with the policies of the CSE, an issuer that has a rolling stock option plan must have its shareholders approve the plan within three years after institution and within every three years thereafter. Accordingly, the New Omnibus Plan is to be approved by the Shareholders at the Meeting and re-approved by the Shareholders no later than March 12, 2029.

A copy of the Omnibus Plan is attached as Schedule “D” to this Information Circular.

At the Meeting, Shareholders will be asked to pass an ordinary resolution (the “**New Omnibus Plan Resolution**”) confirming and approving the Corporation’s New Omnibus Plan.

Shareholders will be requested at the Meeting to pass the following resolution:

“THEREFORE BE IT RESOLVED, as an ordinary resolution, that:

1. The New Omnibus Plan, in the form and substance attached as Schedule “D” to the Corporation’s Information Circular dated January 28, 2026, be and is hereby ratified, confirmed and approved;
2. The Corporation be and is hereby authorized to grant Options to acquire up to 10% of the issued and outstanding Common Shares in the capital of the Corporation from time to time in accordance with the terms of the New Omnibus Plan and issue Shares pursuant to the exercise of such Options.
3. The Options to be issued under the New Omnibus Plan, and all unallocated options and other option grants under the New Omnibus Plan, be and are hereby approved.
4. The Corporation be and is hereby authorized to grant share appreciation rights, restricted share units, deferred share units, and performance share units (collectively, the “**Rights**”) to acquire up to 37,297,051 Common Shares in the capital of the Corporation in accordance with the terms of the New Omnibus Plan, and issue Common Shares pursuant to the exercise of such Rights.
5. The New Omnibus Plan shall be re-approved by the shareholders of the Corporation by no later than March 12, 2029, in accordance with the policies of the Canadian Securities Exchange.
6. Any one director or officer of the Corporation is hereby authorized for, on behalf of, and in the name of the Corporation to do and perform or cause to be done or performed all such things, to take or cause to be taken all such actions, to execute and deliver or cause to be executed and delivered all such agreements, documents and instruments, contemplated by, necessary or desirable in connection therewith, or as such director or officer in his or her discretion may consider necessary, advisable or appropriate in order to give effect to the intent and purposes of the foregoing resolutions, and the doing of such things, the taking of such actions and the execution of such agreements, documents and instruments shall be conclusive evidence that the same have been authorized and approved hereby.”

Unless otherwise directed, it is the intention of the management proxyholder to vote proxies in favour of the New Omnibus Plan Resolution.

STATEMENT OF EXECUTIVE COMPENSATION

The information contained below is provided as required under Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers of NI 51-102 - respecting Continuous Disclosure Obligations*.

For the purposes of this Circular, “Named Executive Officers” (“NEO”) of the Corporation means, at any time during the most recently completed financial year, the following persons:

- a) the Chief Executive Officer (“CEO”);
- b) the Chief Financial Officer (“CFO”);
- c) the most highly compensated executive officer, other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was more than \$200,000 for that financial year; and
- d) each individual who would be a named executive officer under (c) but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, at the end of the most recently completed financial year.

Compensation Program Objectives and Purpose

The executive compensation policy of the Corporation is designed to offer competitive compensation enabling the Corporation to attract and retain qualified, high-calibre staff. It will seek to motivate executive officers to exceed strategic objectives so as to maximize the long-term return on shareholders’ investment.

The objectives of the Corporation’s executive compensation program are as follows:

- to attract, retain and motivate talented executives who create and sustain the Corporation’s continued success;
- to align the interests of the Corporation’s executives with the interests of the Corporation’s shareholders; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics. The Corporation is a mining exploration corporation and will not be generating significant revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Corporation to be appropriate in the evaluation of the performance of the NEOs.

The purpose of the Corporation’s executive compensation program has been designed to reward executives for reinforcing the Corporation’s business objectives and values, for achieving the Corporation’s performance objectives and for their individual performances.

Components of Aggregate Compensation

The aggregate compensation of the NEO currently consists of one or more of the following elements:

- a) a base monetary compensation which is competitive; and

- b) option grants designed to attract experienced personnel and encourage them to promote the Corporation's interests and activities to the best of their knowledge.

Base Compensation

The base cash compensation review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. Base compensation is not evaluated against a formal "peer group". The Board relies on the general experience of its members in setting base compensation amounts.

Incentive compensation

Option grants are designed to attract and retain key personnel. Option grants to Beneficiaries are established by the Board of Directors on a continuous basis, based on the progress of the Corporation.

Summary Compensation Table

The following table details all compensation paid, made payable, awarded, granted, gave or otherwise provided for the two most recently completed financial years to all persons acting as NEO and directors of the Corporation for services provided or to be provided, directly or indirectly, to the Corporation or its subsidiaries. These amounts include the annual base salary and certain other forms of remuneration, the payment having been made or postponed.

Table of Compensation excluding Compensation Securities							
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation ^(*) (\$)	Total Compensation (\$)
Germain Turpin Director, Former President and CEO	2025	45,000	-	10,000	-	-	55,000
	2024	62,000	-	10,000	-	-	72,000
Alexandre Côté President, CEO, Director	2025	150,000	75,000	10,000	-	-	235,000
	2024	120,000	-	10,000	-	-	130,000
Jean Gosselin CFO	2025	135,000	65,000	-	-	-	200,000
	2024	108,000	-	-	-	-	108,000
Dominique Primeau Director	2025	-	-	10,000	-	-	10,000
	2024	-	-	10,000	-	-	10,000
Robert Dunn Former Director	2025	-	-	10,000	-	-	10,000
	2024	-	-	10,000	-	-	10,000
Raimondo Messina Director	2025	125,000	75,000	10,000	-	-	210,000
	2024	-	-	10,000	-	-	10,000
Michael Pesner Former Director	2025	-	-	20,000	-	-	20,000
	2024	-	-	10,000	-	-	10,000
Antoine Alonzo Former Director	2025	-	-	-	-	-	-
	2024	-	-	-	-	-	-
Samuel Cousineau Bourgeois Former Director	2025	-	-	-	-	-	-
	2024	-	-	-	-	-	-
Jean-Denis Côté Former Director	2025	-	-	-	-	-	-
	2024	-	-	-	-	-	-

The compensation securities were granted or issued to the Corporation's NEOs and directors by the Corporation or its subsidiaries during the most recently completed financial year ended March 31, 2025.

Compensation Securities							
Name and Position	Type of Compensation Security	Number of compensation securities, number of underlying securities, and Percentage of Class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Germain Turpin Director, Former President and CEO	Options	-	-	-	-	-	-
Alexandre Côté President, CEO and Director	Options	-	-	-	-	-	-
Jean Gosselin CFO	Options	250,000	2024-10-31	\$0.16	\$0.16	\$0.17	2027-10-31
Dominique Primeau Director	Options	-	-	-	-	-	-
Robert Dunn Former Director	Options	-	-	-	-	-	-
Raimondo Messina Director	Options	450,000	2024-10-31	\$0.16	\$0.16	\$0.17	2027-10-31
Michael Pesner Former Director	Options	-	-	-	-	-	-
Antoine Alonzo Former Director	Options	-	-	-	-	-	-
Samuel Cousineau Bourgeois Former Director	Options	-	-	-	-	-	-
Jean-Denis Côté Former Director	Options	-	-	-	-	-	-

Exercise of Options and Other Compensation Securities

There were no options exercised by any NEO or director during the financial years ended March 31, 2025, other than disclosed below:

Name	Exercise (Warrants/Options)	Date exercised	Price	Number
Robert Dunn	Options	2024-11-05	\$ 0.19	150,000
Michael Pesner	Options	2024-11-13	\$ 0.165	100,000
Robert Dunn	Options	2024-11-14	\$ 0.19	350,000

Stock Option Plan and Other Incentive Plans

The Corporation has established a “rolling” Omnibus Incentive plan which was approved by the shareholders dated September 16, 2024 (the “**Plan**”), under which stock options (the “**Options**”), Restricted Share Units (the “**RSUs**”) or Deferred Share Units (the “**DSUs**”, collectively with the Options and RSUs,

the “**Plan Awards**”) are granted to directors, officers, employees and consultants as an incentive to serve the Corporation in attaining its goal of improved shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Plan, determines the number of options granted to such individuals and determines the date on which each option is granted and the corresponding exercise price.

The maximum number of Common Shares that may be issued pursuant to Options under the Plan shall not exceed 10% of the number of Common Shares issued and outstanding on the date of grant; and the collective maximum number of Common Shares that may be issued pursuant to the RSUs or the DSUs under the Plan shall not exceed 10% of the number of Common Shares issued and outstanding on the date of grant.

The total number of Options granted to all persons providing investor relations services during a 12-month period shall not exceed 2% of the issued and outstanding shares of the Corporation. The Plan Awards are not transferable. The exercise price of a Plan Award shall not be less than the market value of the Common Shares of the Corporation as of date of its issuance.

At the time of early retirement, resignation, termination or termination of a beneficiary for any reason other than death or serious cause, the maturity date of an option held by the beneficiary is deemed to be the maturity date indicated on the option holder’s option certificate or on a date that is one year after the termination of employment or the time at which the holder ceased to hold a position or to hold office, whichever is earlier.

The Board makes these determinations subject to the provisions of the existing Plan and, where applicable, the policies of the CSE. Pursuant to the Plan, the Corporation may, from time to time, grant to eligible directors, officers, employees and consultants of the Corporation or of a management company employee, Awards to acquire common shares of the Corporation in such number, at such exercise prices, and for such terms as may be determined by the Board, subject to the limit of the total issued and outstanding Common Shares as outlined in the Plan.

As of March 31, 2025, the Corporation have 8,950,000 stock option outstanding. During the financial year ended March 31 2025, 600,000 stock option was exercised by a director or NEO of the Corporation.

Employment, Consulting and Management Agreements with the NEOs

The Corporation currently has consulting agreements in place with its NEOs. Under the Chairman Agreement and the President and Chief Executive Officer Agreement, the President and Chief Executive Officer is entitled to remuneration of \$150,000 for a 15-month period, and the Chairman received remuneration of \$125,000 for the same period. Each also received a bonus of \$75,000 for the most recently completed fiscal year. The Chief Financial Officer receives annual remuneration of \$109,000 and a bonus of \$65,000 for the same period. Such agreements including: a) the provisions, if any, with respect to change of control, severance, termination or constructive dismissal; b) the estimated incremental payments that are triggered by, or result from, change of control, severance, termination or constructive dismissal, and; c) any relationship between the other party to the agreement and a director or named executive officer of the company or any of its subsidiaries.

Oversight and Description of Director and NEO Compensation

Executive Officers

The Board analyses all questions relating to human resources planning, compensation for executive officers, directors and other employees, short and long term incentive programs, employee benefits programs, and recommends the appointment of executive officers.

The compensation paid to executive officers has the following primary objectives:

- offer total compensation capable of attracting and retaining top level executive officers required to ensure the Corporation's short and long term goals and success; and
- motivate the executive officers in achieving and exceeding the goals of the Corporation and of its shareholders.

Compensation and Risk Management

Considering the size of the Corporation, the Board has considered the implications of the risks associated with the Corporation's compensation policy and practices and decided they are not material.

No executive officer or director of the Corporation is permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the executive officers or directors.

General

The compensation seeks to primary reward the superior performance through both individual and corporate results and the increased shareholder value. In reviewing executive officers compensation, the Board will take into consideration numerous factors that are not easily measurable but which consider the individual performance, experience, integrity, peer appreciation and Market comparators.

Directors

In general, the Board determines the number of options granted annually to the directors without applying any known or measurable objectives. Criteria such as the Corporation's global performance are looked at in determining the number of options to be granted to the directors.

Pension Plan Benefits

The Corporation does not offer any pension plan that benefits to any of its NEOs, nor to the directors of the Corporation.

Equity Compensation Plan Information

Plan Category	Number of Common Shares to be Issued Upon Exercise of Outstanding Option⁽¹⁾	Weighted Average Exercise Price of Outstanding Options	Number of Common Shares Remaining Available for Future Issuance Under the Equity Compensation Plans⁽¹⁾
Equity Compensation Plans of the Corporation approved by the shareholders	5,500,000	\$0.16	11,620,066
Equity compensation plans not approved by security holders	-	-	-
Total	5,500,000	\$0.16	11,620,066

Note:

(1) As at March 31, 2025.

Indebtedness to the Corporation of Directors and Executive Officers

As at the date hereof, no amounts are owed to the Corporation by any director, executive officer, employees or any former director, executive officer or employee of the Corporation or any of its subsidiaries, or any

proposed director of the Corporation or associate of the foregoing. During the year ended March 31, 2025, the Corporation did not grant any loan.

Directors' and Officers' Liability Insurance

The Corporation subscribes to an insurance on behalf of its directors and officers to cover for potential liabilities incurred in connection with their services to the Corporation. The coverage is for \$5,000,000 per insurance period, with a cost is \$40,000 per year and no deductible.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The Audit Committee has a formal charter, the text of which is attached to this Circular as Schedule "A". The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee after careful consideration of NI 52-110 *respecting Audit Committees* ("**52-110**") of the CSA and other applicable policies.

Composition of Audit Committee

Name	Independent	Financially Literate
Alexandre Côté (Chairman)	No	Yes
Dominique Primeau	Yes	Yes
Germin Turpin	Yes	Yes

The Audit Committee is comprised of three directors, two of whom are independent under 52-110. All the members of the Committee are "financially literate" and have the ability to read and understand a set of financial statements.

Relevant Education and Experience

The education and experience of each Audit Committee member has enabled each to perform his responsibilities as an Audit Committee member and has provided the member with an understanding of the accounting principles used by the Corporation to prepare its financial statements, the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions as well as experience preparing, auditing, analysing or evaluating financial statements that present a breadth and level of complexity of accounting issued that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising one or more individuals engaged in such activities and an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Corporation's external auditors not been adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on exemptions in Section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*) or any exemption, in whole or in part, provided by Parts 6 and 8 of NI 52-110, other than the exemption granted

to venture issuers under Section 6.1 of NI 52-110, which exempts issuers whose shares are listed only on the Venture from the requirements of Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*).

Pre-Approval Policies and Procedures

The Audit Committee approves the engagement terms for all audit and non-audit services to be provided by the Corporation's accountants before such services are provided to the Corporation.

The Corporation has not adopted any specific policies or procedures for the engagement of non-audit services other than the pre-approval by the Audit Committee.

External Auditor Service Fees

The fees charged to the Corporation by its external auditor in each of the last two fiscal years are as follows:

	2025	2024
Audit Fees ⁽¹⁾	336,000	312,915
Audit-Related Fees ⁽²⁾	-	-
Tax Fees	4,200	56,531
All Other Fees ⁽³⁾	133,909	-
Total	471,109	369,446

Notes:

- (1) Audit fees include fees for services related to the audit of the Corporation's financial statements or other services that are normally provided by the external auditors in connection with statutory or regulatory filings or engagements. These fees also include fees for comfort letters, statutory audits, attest services, consents and assistance with the preparation and review of documents filed with regulators, as well as in connection with the interpretation of accounting and financial reporting standards.
- (2) Audit-related fees include assurance and related services that are performed by the Corporation's external auditors. These services also include accounting consultations in connection with acquisitions and divestitures and internal control reviews.
- (3) Tax fees include fees for assistance with tax planning, during restructurings and when taking a tax position, as well as preparation and review of income and other tax returns and tax opinions.

MANAGEMENT CONTRACTS

The Corporation has not entered into any management contract during the most recently completed financial year and no prior agreement of similar nature were still in force.

DISCLOSURE ON DIVERSITY UNDER CANADA BUSINESS CORPORATIONS ACT

The Corporation is a junior issuer with no employees, a limited number of directors and officers. For these reasons, the Corporation has decided not to adopt formal policies and targets relating to gender diversity or the representation of designated groups (i.e., aboriginal peoples, persons with disabilities and members of visible minorities) among the members of its Board and senior management. However, the Corporation seriously considers and evaluates diversity when identifying and nominating Board candidates and when making senior management appointments by carefully assessing professional qualifications and aptitudes, personalities and other qualifications of each candidate, depending on *ad hoc* needs of the Corporation.

Currently, there is no director or senior officer that is considered a member of designated group as defined under the *Canada Business Corporations Act*. Members of the Board are elected for a period of one year and remain in office until the next annual general meeting of shareholders at which time their mandates terminate.

CORPORATE GOVERNANCE PRACTICES

The Board considers good corporate governance to be important to the effective operations of the Corporation and to ensure that the Corporation is managed so as to enhance shareholder value. The Board is responsible for ensuring that the Corporation addresses all relevant corporate governance issues in compliance with the corporate governance guidelines set forth in Policy Statement 58-201 - *Corporate Governance Guidelines* of the CSA.

The Corporation's disclosure of corporate governance practices pursuant to NI 58-101 respecting *Disclosure of Corporate Governance Practices* is set out in Schedule "B" to this Circular in the form required by Form 58-101F2.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.ca. Financial information is provided in the Corporation's financial statements and management's discussion and analysis for the year ended March 31, 2025, a copy of which may be obtained on request to the Corporation at 1188 Union Avenue, Suite 609, Montréal, Québec H3B 0E5. The Corporation may require a payment at a reasonable charge when the request is made by someone other than a shareholder.

APPROVAL OF CIRCULAR

The Board of the Corporation has approved the contents of the Circular and its sending to the shareholders.

Montréal, Québec, January 28, 2026

PRIME DRINK GROUP CORP.

Per: (s) Jean Gosselin
Jean Gosselin
Chief Financial Officer

SCHEDULE A

AUDIT COMMITTEE CHARTER

PRIME DRINK GROUP CORP. (the “Corporation”)

This Charter was adopted in conformity with *National Instrument 52-110 on the Audit Committee* (“NI-52-110”). The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee (hereinafter described as the “Audit Committee” or the “Committee”) and describes the qualifications and status required to become a member. The Committee reviews its charter periodically and, as required, makes recommendations to the Board of Directors (hereinafter described as the “Board of Directors” or the “Board”) as to any changes to be made.

1. OVERALL PURPOSE - ROLE OF AUDIT COMMITTEE

The Committee is a committee of the Board to whom the Board has delegated the responsibility of reviewing the financial reporting process. The Audit Committee has a general mandate to assist the Board in fulfilling its responsibilities with regard to the financial information of the Corporation and its accounting practices, mainly in the process of reporting and disclosure. In this context, the Committee:

- ensures the reliability and the integrity of the Corporation’s financial statements and financial information, as well as other information made public by the Corporation;
- supervises the management of accounting systems and internal controls;
- assists in ensuring proper communications between the directors and the external auditors;
- supports the independence of the external auditors;
- supports the duties of the external directors in facilitating in-depth discussions between the directors members of the Audit Committee, Management and the external auditors;
- supervises the activities of the external auditors appointed to carry out an audit or to perform other related services; and
- recommends to the Board the appointment of the external auditors and their remuneration.

The Committee has the authority to examine and make recommendations on any question brought to its attention. The Committee, in carrying out this mandate, has access, upon request, to all relevant information concerning the Corporation’s operations, whether this information is in the hands of the Corporation, a subsidiary or a related person.

The Committee may, at his own discretion, use the services of outside consultants.

2. COMMITTEE RESPONSIBILITIES - AUDIT

In general, the Committee’s mandate is to supervise the reporting and disclosure processes of the Corporation and to report on its activities to the Board.

The Committee must ascertain that adequate procedures are in place to review the public disclosure by the Corporation of financial information extracted or derived from its financial statements and must periodically assess the adequacy of these procedures.

The Committee must establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and the

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

And, more particularly,

2.1 Financial Statements, Notes, Management Reports and Press Releases

- 2.1.1 The Committee examines the interim financial statements and the audited financial statements at year-end before making them public, as well as the documents prepared for electronic deposit with regulatory authorities. The Committee may make whatever changes it deems necessary to the financial statements. Otherwise, the Committee recommends the approval of these financial statements by the Board.
- 2.1.2 The Committee examines the notes to the financial statements and all management reports accompanying the financial statements distributed to the shareholders and/or to the regulatory authorities, as well as press releases issued along with the financial statements, notes and related comments. The Committee makes all the modifications deemed necessary to these documents. Otherwise, it recommends the approval of these documents by the Board.

2.2 External Auditors

- 2.2.1 The Committee makes recommendations to the Board with regard to the selection of external auditors, their remuneration and their reappointment, as the case may be. It reviews the audit plan with the external auditors and defines the specific needs of the Committee. The Committee receives the auditors' report with the accompanying notes.
- 2.2.2 The Committee meets with the external auditors before the beginning of their mandate and, at this meeting, examines and approves the scope of the audit plan as well as the audit fees allocated to the work to be done.
- 2.2.3 At that time, the Committee analyzes the external auditors' independence, reviews services other than audit services to be performed by the external auditors and determines if the nature and extent of these services may or may not be prejudicial to their independence. The Committee reviews and approves the hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
- 2.2.4 The Committee also meets with the external auditors at the meeting planned for the examination of the year-end audited financial statements and, on this occasion, receives the post-audit report that will mainly deal with:
 - The acceptability and quality of the Corporation's accounting principles;
 - The quality of the accounting systems and internal controls put in place by Management to ensure the integrity of the accounting and financial information;
 - The recommendations made by the auditors to Management with respect to the accounting systems and internal controls, and Management's response thereto;
 - The assessment of the measures put in place to deal with the risks faced by

the Corporation when, in the auditors' opinion, certain factors could have a material impact on the results of the Corporation; and

- The difficulties encountered by the external auditors in the course of their mandate, in particular any restrictions imposed by Management or serious accounting questions over which they disagreed with Management.

2.2.5 At these meetings, the Audit Committee may meet with the auditors, out of the presence of the Corporation's Management and the internal directors. In fact, the Committee has direct access to the external auditors and Management and may hold private and informal discussions with each of the parties, whenever deemed opportune in carrying out their mandate.

2.2.6 Also, the Management of the Corporation and the external auditors may, if necessary, ask to meet the members of the Committee to review with them all transactions, procedures or other questions which, in their opinion, are relevant to the mandate of the Committee.

2.2.7 The Audit Committee must approve, in advance, all the services that are not related to the audit that the external auditors do for the Corporation and its subsidiaries.

2.2.8 The Committee examines the conditions of the mandate of the external auditors and verifies that the fees are appropriate and reasonable for the audit and approves unpaid fees.

2.2.9 The Committee is in charge of resolving disagreements between the management of the Corporation and the external auditors concerning the financial reporting.

3. RESPONSIBILITIES OF THE COMMITTEE - CONFLICTS OF INTEREST

Every year or more often, as required, the Committee examines:

3.1 Any situation that has been brought to its attention that may cause a conflict of interest and, more particularly, the approval of the financial conditions applicable within the framework of contracts with persons or companies related to or affiliated with the Corporation, to ensure that these contracts are as advantageous to the Corporation as if they had been negotiated with other parties.

3.2 Any eventual violation of a contract that is brought to its attention and which could have an impact on the financial statements.

4. APPOINTMENT OF AUDITORS - OTHER RESOURCES

In performing its duties, the Committee may hire all necessary resources.

Each year, after having verified the qualifications of the incumbent or potential auditors, the Committee must recommend to the Board the appointment of external auditors. At its first meeting of the year in March, the Committee must consider whether it is appropriate, for the next fiscal year, to proceed with a call for tenders from various auditing firms or to renew the mandate of the auditors in place.

If Management proposes a change of external auditors, the Committee must be informed of the reasons for such a change and, in all cases, approve the information to be made public in accordance with the regulations.

5. COMPOSITION

The Audit Committee consists of a minimum of three directors appointed by the Board at the first meeting following the annual general meeting of the shareholders.

The members of the Committee are in majority independent directors, as defined in Rule 52-110. All members of the Committee are financially literate.

At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices.

For the purposes of this Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation’s financial statements.

6. CHAIRMAN OF THE COMMITTEE

The Chairman of the Committee is selected by the members of the Committee unless he is appointed by the Board; in the case of absence, unavailability or if he vacates his post, the chairmanship will be assumed by a member chosen by the Committee.

7. NUMBER OF MEETINGS

The Committee will meet at least four (4) times per year or more, if necessary. Meetings can be held by conference call.

A member of the Committee may convene a special meeting.

8. ORGANIZATION

The Committee appoints a Secretary.

Before each Committee meeting, the Secretary distributes a written agenda to the members. The Secretary will also maintain minutes of each meeting.

9. QUORUM AND DECISIONS

A majority of Committee members shall constitute a quorum.

Provided there is a quorum, decisions are made by a vote of the majority of the members present.

10. REPORT

The Committee reports to the Board of Directors. The minutes of a Committee meeting constitute a report in itself.

SCHEDULE B

CORPORATE GOVERNANCE

PRIME DRINK GROUP CORP. (the “Corporation”)

The Board has carefully reviewed the corporate governance guidelines of Policy Statement 58-201 *to Corporate Governance Guidelines*. NI 58-101 *respecting Disclosure of Corporate Governance Practices* (“58-101”) of the Canadian Securities Administrators requires the Corporation to annually disclose certain information regarding its corporate governance practices. Those practices are as follows.

Board of Directors

The board of directors delegates to management the responsibility for the development of these strategies and holds itself responsible for the approval of the strategies finally adopted. In addition to those matters which must by law be approved by the board of directors, management is required to seek board of director’s approval for significant acquisitions, divestitures and capital expenditures. Other matters of strategic importance to the Corporation or which impact significantly on the operations of the Corporation are brought to the board of director’s attention for its input, consideration and approval.

The board of director oversees the identification of the principal risks of the Corporation’s business and the implementation by management of appropriate systems to manage such risks. The board of director reviews from time to time organizational matters such as succession planning. Given current management’s tenure, their vast experience and low turnover, succession planning is not seen as critical at the present time by the board of director.

The following directors are “independent” pursuant to NI 58-101 in that they are free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director’s ability to act with the best interests of the Corporation, other than interests and relationships arising from shareholding: Dominique Primeau and Germain Turpin.

The independent directors hold meetings without the attendance of the non-independent director and the executive officers.

Directorships

No director of the Corporation who are presently serving as director of other reporting issuers.

Orientation and Continuing Education

The Board of the Corporation takes the following steps to ensure that all new directors receive orientation regarding the role of the board of director, its committees and its directors, and the nature and operation of the Corporation.

Reports and other documentation relating to the Corporation’s business and affairs are provided to new directors.

Orientation and education of directors is an ongoing matter. As such, ongoing informal discussions between management and members of the board of director are encouraged and visits to the Corporation’s operations are organized.

Ethical Business Conduct

The Corporation is committed to promote the highest standard of ethic and integrity in the pursuance of all of its activities.

Furthermore, the directors, officers and employees of the Corporation are expected to act and to hold their office within the best interests of the Corporation. The Corporation expects that all directors shall act in compliance of all laws and regulations applicable to their office as director of the Corporation.

In the event any transactions or agreements occur in respect of which a director or executive officer has a material interest, the matter must be initially reviewed by the Audit Committee and is then submitted to the Board. The board of director may implement any measures that it finds necessary in order to ensure the exercise of independent judgment. In the event a director has a material interest in any transaction or agreement, such director will abstain from voting in that regard.

Nomination of Directors

The Board of the Corporation does not feel it is necessary to increase the number of directors on the board of director at this time.

The Chairman of the board of directors and President of the Corporation seeks qualified candidates to be considered for nomination as directors. Proposed nominations are subject to review and approval by the board of directors.

Any new appointees or nominees to the Board must have a favourable track record in general business management, special expertise in areas of strategic interest to the Corporation, the ability to devote the time required and a willingness to serve as a director.

New candidates for the director's position are carefully assessed as to their professional qualifications and aptitudes, including the availability that the candidate is able to devote to this task, all according to the needs of the Corporation.

Compensation

The Board does not have a compensation committee. The current size of the Board allows the entire Board to take the responsibility for considering compensation for the Corporation's executive officers and directors. Except for the issuance of incentive stock options from time to time, the Corporation does not compensate its directors for their capacity as such.

In order to determine the compensation of the directors and the CEO, the Board of Directors shall notably take into account the contribution made by each person to the Corporation, the financial resources available to the Corporation and the compensation given to people occupying similar positions in comparable Canadian companies. To the year-end on March 31, 2025, the Corporation's directors have received a compensation of \$10,000 in cash for the services they have rendered in their capacity as directors.

Other Board Committees

The board of director has no standing committee other than the Audit Committee.

Assessments

No formal steps are in place; however, performance is reviewed informally. The Board believes that its small size facilitates informal discussions and the evaluation of members' contributions with that framework.

SCHEDULE C

FILINGS OF CHANGE OF AUDITORS

See attached.

NOTICE OF CHANGE OF AUDITOR

To: Horizon Assurance LLP

And To: MNP LLP

**And To: British Columbia Securities Commission (Principal Regulator)
Ontario Securities Commission**

Prime Drink Group Corp. (the “**Company**”) is issuing this notice pursuant to section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) of the change of its auditor from MNP LLP (the “**Former Auditor**”) to Horizon Assurance LLP (the “**Successor Auditor**”). In accordance with NI 51-102, the Company hereby states that:

1. Effective as of June 25, 2025, the Former Auditor resigned as auditor of the Company on their own initiative.
2. The Successor Auditor was appointed as the Company’s Auditor effective June 30, 2025 to fill the vacancy and to hold office until the next annual meeting of shareholders of the Company.
3. The resignation of the Former Auditor and the appointment of the Successor Auditor have been considered and approved by the Company’s board of directors (the “**Board**”).
4. The Former Auditor has not issued any modified opinions on the annual financial statements of the Company preceding the date of this Notice nor for any interim financial information for any subsequent period preceding the date of this Notice.
5. In the opinion of the Company, there have been no “reportable events”, as that term is defined in NI 51-102, between the Company and the Former Auditor preceding the resignation, and as of the date of this notice.
6. This Notice and letters from the Former Auditor and the Successor Auditor have been reviewed by the Company’s Board.

Dated this 3rd day of July 2025.

PRIME DRINK GROUP CORP.

Per: /s/ “Alexandre Cote”
Alexandre Cote
Chief Executive Officer

July 4, 2025

TO: British Columbia Securities Commission (Principal Regulator)
Ontario Securities Commission

Dear Sirs/Mesdames:

Re: Prime Drink Group Corp. (the “Company”)

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, we have reviewed the information contained in the Notice of Change of Auditor of the Company dated July 3, 2025 (“the **Notice**”) and, based on our knowledge of such information at this time, we agree with the statements made in the Notice pertaining to our firm. We advise that we have no basis to agree or disagree with the comments in the Notice relating to Horizon Assurance LLP.

Yours very truly,



Chartered Professional Accountants
Licensed Public Accountants

July 3, 2025

To: British Columbia Securities Commission
Ontario Securities Commission

**RE: Notice of Change of Auditor for Prime Drink Group Corp. (the
“Corporation”)**

Dear Sirs/Mesdames:

We acknowledge receipt of a Notice of Change of Auditor (the “Notice”) dated July 3, 2025 delivered to us by the Corporation, pursuant to National Instrument 51-102 — *Continuous Disclosure Obligations of the Canadian Securities Administrators*.

We have reviewed the Notice and, based on our knowledge at this time, we are in agreement with the statements contained in the Notice as it pertains to our firm.

Yours truly,

Horizon Assurance LLP

**Chartered Professional Accountant
Licensed Public Accountant**

SCHEDULE D

OMNIBUS EQUITY INCENTIVE COMPENSATION PLAN

See attached.

PRIME DRINK GROUP CORP.

OMNIBUS EQUITY INCENTIVE COMPENSATION PLAN

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PRIME DRINK GROUP CORP.

OMNIBUS EQUITY INCENTIVE COMPENSATION PLAN

ARTICLE 1

ESTABLISHMENT, PURPOSE AND DURATION

1.1 Establishment of the Plan. The following is the omnibus equity incentive compensation plan of Prime Drink Group Corp. (the “**Company**”) pursuant to which stock based compensation Awards (as defined below) may be granted to eligible Participants (as defined below). The name of the plan is the Omnibus Equity Incentive Compensation Plan (the “**Plan**”).

The Plan permits the grant of Options, Share Appreciation Rights, Restricted Share Units, Deferred Share Units and Performance Share Units (as such terms are defined below). The Plan was adopted by the Board (as defined below) on January 28, 2026 and will be effective on March 12, 2026, subject to the approval of the shareholders of the Company (the “**Effective Date**”).

1.2 Purpose of the Plan. The purposes of the Plan are to: (i) provide the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants, (ii) align the interests of Participants with that of other shareholders of the Company generally, and (iii) enable and encourage Participants to participate in the long-term growth of the Company through the acquisition of Shares (as defined below) as long-term investments.

DEFINITIONS

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

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

“**Award**” means, individually or collectively, a grant under the Plan of Options, Share Appreciation Rights, Deferred Share Units, Restricted Share Units or Performance Share Units, in each case subject to the terms of the Plan.

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

“**Blackout Period**” means a period of time during which the Participant cannot sell Shares, due to applicable law or policies of the Company in respect of insider trading.

“Board” or “Board of Directors” means the Board of Directors of the Company as may be constituted from time to time.

“Cause” means (i) if the Participant has a written agreement pursuant to which he or she offers his or her services to the Company and the term “cause” is defined in such agreement, “cause” as defined in such agreement; or otherwise (ii) (A) the inability of the Participant to perform his or her duties due to a legal impediment such as an injunction, restraining order or other type of judicial judgment, decree or order entered against the Participant; (B) the failure of the Participant to follow the Company’s reasonable instructions with respect to the performance of his or her duties; (C) any material breach by the Participant of his or her obligations under any code of ethics, any other code of business conduct or any lawful policies or procedures of the Company; (D) excessive absenteeism, flagrant neglect of duties, serious misconduct, or conviction of crime or fraud; and (E) any other act or omission of the Participant which would in law permit an employer to, without notice or payment in lieu of notice, terminate the employment of an employee.

“Change of Control” means the occurrence of any one or more of the following events:

- (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company as a result of which the holders of Shares prior to the completion of the transaction hold or beneficially own, directly or indirectly, less than 50% of the outstanding Voting Securities of the successor corporation after completion of the transaction;
- (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets of the Company and/or any of its subsidiaries to any other person or entity, other than a disposition to a wholly-owned subsidiary in the course of a reorganization of the assets of the Company and its subsidiaries;
- (iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;
- (iv) an acquisition by any person, entity or group of persons or entities acting jointly or in concert of beneficial ownership of more than 50% of the Shares; or
- (v) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.

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

“Committee” means the Board of Directors or if so delegated in whole or in part by the Board, the Compensation Committee of the Board of Directors, or any other duly authorized committee of the Board appointed by the Board to administer the Plan.

“Company” has the meaning ascribed to it in section 1.1.

“Consultant” means, in relation to the Company, an individual (other than an Employee or a Director of the Company) or company that: (a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Issuer or to an Affiliate of the Company, other than services provided in relation to a distribution of securities; (b) provides the services under a written contract between the Company or an Affiliate and the individual or the company, as the case may be; (c)

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 (d) 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.

“Corporate Reorganization” has the meaning ascribed to it in section 3.4.

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

“Deferred Share Unit” or **“DSU”** means an Award denominated in units that provides the holder thereof with a right to receive Shares or cash or a combination thereof upon settlement of the Award, granted under and subject to the terms of the Plan.

“Director” means any individual who is a member of the Board of Directors of the Company.

“Disability” means the disability of the Participant which would entitle the Participant to receive disability benefits pursuant to the long-term disability plan of the Company (if one exists) then covering the Participant, provided that the Board may, in its sole discretion, determine that, notwithstanding the provisions of any such long-term disability plan, the Participant is permanently disabled for the purposes of the Plan.

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

“Effective Date” has the meaning ascribed to it in section 1.2.

“Employee” means any employee or officer of the Company or an Affiliate of the Company. Directors who are not otherwise employed by the Company or an Affiliate of the Company shall not be considered Employees under the Plan.

“FMV” means, unless otherwise required by any applicable provision of the Code or any regulations thereunder or by any applicable accounting standard for the Company’s desired accounting for Awards or by the rules of the CSE, a price that is determined by the Committee, provided that as long as the Company is listed on the CSE such price cannot be less than the last closing price of the Shares on the CSE less any discount permitted by the rules or policies of the CSE.

“Freestanding SAR” means a SAR that is not a Tandem SAR, as described herein.

“Good Reason” a resignation or Retirement following a Change of Control shall be considered to be for good reason if any of the following occur without the consent of the Participant:

- (i) A substantial and detrimental alteration of his or her position or title or in the nature or status of his or her responsibilities from those in effect immediately prior to the Change of Control,

- (ii) A reduction of 10% or more of his or her base salary or target bonus and cancellation of applicable compensation plans and the failure to replace those plans with substantially comparable plans;
- (iii) The failure to continue to provide employment benefits and perquisites comparable to those enjoyed immediately prior to the Change of Control; or
- (iv) The Participant being relocated to an office or location that is 50 kilometres or more from the current location where he or she is employed.

“Grant Price” means the price against which the amount payable is determined upon exercise of a SAR.

“Insider” shall have the meaning ascribed thereto in Section 108(1) of the MSA.

“ITA” means the *Income Tax Act* (Canada).

“MSA” means *The Securities Act* (Manitoba), as may be amended from time to time.

“Non-Employee Director” means a Director who is not an Employee.

“Notice Period” means any period of contractual notice or reasonable notice that the Company or an Affiliate of the Company may be required at law, by contract or otherwise agrees to provide to a Participant upon termination of employment, whether or not the Company or Affiliate elects to pay severance *in lieu* of providing notice to the Participant, provided that where a Participant’s employment contract provides for an increased severance or termination payment in the event of termination following a Change of Control, the Notice Period for the purposes of the Plan shall be the Notice Period under such contract applicable to a termination which does not follow a Change of Control.

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

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

“Participant” means an Employee, Non-Employee Director or Consultant who has been selected to receive an Award, or who has an outstanding Award granted under the Plan.

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

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

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

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

“Plan” has the meaning ascribed to it in section 1.1.

“Restricted Share Unit” or “RSU” means an Award denominated in units subject to a Period of Restriction, with a right to receive Shares or cash or a combination thereof upon settlement of the Award, granted under Article 7 herein and subject to the terms of the Plan.

“Retirement” or “Retire” means a Participant’s permanent withdrawal from employment or office with the Company or an Affiliate of the Company on terms and conditions accepted and determined by the Board.

“Share Appreciation Right” or “SAR” means the conditional right to receive the difference between the FMV of a Share on the date of exercise over the Grant Price, pursuant to the terms of Article 6 herein and subject to the terms of the Plan.

“Shares” means common shares of the Company.

“Tandem SAR” means a SAR that the Committee specifies is granted in connection with a related Option pursuant to Article 6 herein and subject to the terms of the Plan, the exercise of which shall require forfeiture of the right to purchase a Share under the related Option (and when a Share is purchased under the Option, the Tandem SAR shall similarly be cancelled) or a SAR that is granted in tandem with an Option but the exercise of such Option does not cancel the SAR, but rather results in the exercise of the related SAR. Regardless of whether an Option is granted coincident with a SAR, a SAR is not a Tandem SAR unless so specified by the Committee at the time of grant.

“Termination Date” means the date on which a Participant ceases to be eligible to participate under the Plan as a result of a termination of employment, officer position, board service or consulting arrangement with the Company or any Affiliate of the Company for any reason, including death, Retirement, resignation or termination with or without Cause. For the purposes of the Plan, a Participant’s employment, officer position, board service or consulting arrangement with the Company or an Affiliate of the Company shall be considered to have terminated effective on the last day of the Participant’s actual and active employment, officer position or board or consulting service with the Company or the Affiliate whether such day is selected by agreement with the individual, unilaterally by the Company or the Affiliate and whether with or without advance notice to the Participant. For the avoidance of doubt, no period of notice or pay in lieu of notice that is given or that ought to have been given under applicable law in respect of such termination of employment that follows or is in respect of a period after the Participant’s last day of actual and active employment shall be considered as extending the Participant’s period of employment for the purposes of determining his or her entitlement under the Plan.

“U.S. Participants” means those Participants that are United States taxpayers.

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

ARTICLE 2 ADMINISTRATION

2.1 **General.** The Committee shall be responsible for administering the Plan. The Committee may employ attorneys, consultants, accountants, agents and other individuals, any of whom may be an Employee, and the Committee, the Company, and its officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee shall be final, conclusive and binding upon the Participants, the Company, and all other interested parties. No member of the Committee will be liable for any action or determination taken or made in good faith with respect to the Plan or Awards granted hereunder. Each

member of the Committee shall be entitled to indemnification by the Company with respect to any such determination or action in the manner provided for by the Company and its subsidiaries.

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

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

ARTICLE 3 SHARES SUBJECT TO THE PLAN AND MAXIMUM AWARDS

3.1 Maximum Number of Shares Available for Awards. The maximum number of Shares issuable pursuant to Options issued under the Plan shall be equal to 10% of then issued and outstanding Shares on a rolling basis. In addition, the maximum number of Shares issuable pursuant to SARs, RSUs, DSUs and PSUs issued under the Plan shall not exceed 37,297,051 in the aggregate, representing 10% of the Company's issued and outstanding Shares as of the Effective Date of this Plan. To the extent that an Award lapses or the rights of its Participant terminate or are paid out in cash (except in the case of Options which cannot be paid out in cash), any Shares subject to such Award shall again be available for the grant of an Award.

3.2 Award Grants to Individuals. The maximum number of Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Shares, calculated on the date an Award is granted to the Participant, unless the Company obtains disinterested shareholder approval as required by the policies of the CSE. The maximum number of Shares for which Awards may be issued to any Consultant or persons (in the aggregate) retained to provide Investor Relations Activities (as defined by the CSE) in any 12-month period shall not exceed 2% of the outstanding Shares, calculated on the date an Award is granted to the Consultant or any such person, as applicable.

3.3 Award Grants to Insiders. Unless disinterested shareholder approval as required by the policies of the CSE is obtained: (i) the maximum number of Shares for which Awards may be issued to Insiders (as a group) at any point in time shall not exceed 10% of the outstanding Shares; and (ii) the aggregate number of Awards granted to Insiders (as a group), within any 12-month period, shall not exceed 10% of the outstanding Shares, calculated at the date an Award is granted to any Insider.

3.4 Adjustments in Authorized Shares. In the event of any corporate event or transaction (collectively, a "**Corporate Reorganization**") (including, but not limited to, a change in the Shares of the Company or the capitalization of the Company) such as a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company,

combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Company, or any similar corporate event or transaction, the Committee shall make or provide for such adjustments or substitutions, as applicable, in the number and kind of Shares that may be issued under the Plan, the number and kind of Shares subject to outstanding Awards, the Option Price or Grant Price applicable to outstanding Awards, the limit on issuing Awards other than Options granted with an Option Price equal to at least the FMV of a Share on the date of grant or Share Appreciation Rights with a Grant Price equal to at least the FMV of a Share on the date of grant, and any other value determinations applicable to outstanding Awards or to the Plan, as are equitably necessary to prevent dilution or enlargement of Participants' rights under the Plan that otherwise would result from such corporate event or transaction. In connection with a Corporate Reorganization, the Committee shall have the discretion to permit a holder of Options to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan and the applicable Award Agreement) and the holder will then accept on the exercise of such Option, *in lieu* of the Shares that such holder would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that such holder would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, that holder had owned all Shares that were subject to the Option. Such adjustments shall be made automatically, without the necessity of Committee action, on the customary arithmetical basis in the case of any stock split, including a stock split effected by means of a stock dividend, and in the case of any other dividend paid in Shares.

The Committee shall also make appropriate adjustments in the terms of any Awards under the Plan as are equitably necessary to reflect such Corporate Reorganization and may modify any other terms of outstanding Awards, including modifications of performance criteria and changes in the length of Performance Periods. The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under the Plan, provided that any such adjustments must comply with Section 409A of the Code with respect to any U.S. Participants.

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

ARTICLE 4 ELIGIBILITY AND PARTICIPATION

4.1 Eligibility. Awards under the Plan shall be granted only to *bona fide* Employees, Non-Employee Directors and Consultants.

4.2 Actual Participation. Subject to the provisions of the Plan, the Committee may, from time to time, in its sole discretion select from among eligible Employees, Non-Employee Directors and Consultants, those to whom Awards shall be granted under the Plan, and shall determine in its discretion the nature, terms, conditions and amount of each Award.

ARTICLE 5
STOCK OPTIONS

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

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

5.3 Option Price. The Option Price for each grant of an Option under the Plan shall be determined by the Committee and shall be specified in the Award Agreement. The Option Price for an Option shall be not less than the FMV of the Shares on the date of grant.

5.4 Vesting of Options. Unless otherwise specified in an Award Agreement, and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Options, Options shall vest equally over a two year period such that 1/4 of the Options shall vest every six months from the date that the Options were granted.

5.5 Duration of Options. Each Option granted to a Participant shall expire at such time as the Committee shall determine at the time of grant; provided, however, that, subject to section 6.6, no Option shall be exercisable later than the tenth (10th) anniversary date of its grant.

5.6 Blackout Periods. If the date on which an Option is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Option shall be extended to the last day of such 10 business day period.

5.7 Exercise of Options. Options granted under this Article 5 shall be exercisable at such times and on the occurrence of such events, and be subject to such restrictions and conditions, as the Committee shall in each instance approve, which need not be the same for each grant or for each Participant.

5.8 Payment. Options granted under this Article 5 shall be exercised by the delivery of a notice of exercise to the Company or an agent designated by the Company in a form specified or accepted by the Committee, or by complying with any alternative procedures which may be authorized by the Committee, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment of the Option Price.

The Option Price upon exercise of any Option shall be payable to the Company in full in cash, certified cheque or wire transfer.

As soon as practicable after receipt of a notification of exercise and full payment of the Option Price, the Shares in respect of which the Option has been exercised shall be issued as fully-paid and non-assessable common shares of the Company. As of the business day the Company receives such notice and such payment, the Participant (or the person claiming through a Participant, as the case may be) shall be entitled to be entered on the share register of the Company as the holder of the number of Shares in respect of which the Option was exercised and to receive as promptly as possible thereafter, but in any event, on or before the 15th day of the third month of the year following the year in which the Option was exercised, a certificate or evidence of book entry representing the said number of Shares. The Company

shall cause to be delivered to or to the direction of the Participant Share certificates or evidence of book entry Shares in an appropriate amount based upon the number of Shares purchased under the Option(s).

5.9 Death, Disability, Retirement and Termination or Resignation of Employment.

If the Award Agreement does not specify the effect of a termination or resignation of employment then the following default rules will apply:

- (a) Death: If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate of the Company:
 - (i) all unvested Options as at the Termination Date shall automatically and immediately vest; and
 - (ii) all vested Options (including those that vested pursuant to (i) above) shall continue to be subject to the Plan and exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- (b) Disability: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their Disability then all Options remain and continue to vest (and are exercisable) in accordance with the terms of the Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- (c) Retirement: If a Participant Retires then the Board shall have the discretion, with respect to such Participant's Options, to determine: (i) whether to accelerate vesting of any or all of such Options, (ii) whether any of such Options shall be cancelled, with or without payment, and (iii) how long, if at all, such Options may remain outstanding following the Termination Date; provided, however, that in no event shall such Options be exercisable for more than 12 months after the Termination Date.
- (d) Termination for Cause: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their termination for Cause, then all Options, whether vested or not, as at the Termination Date shall automatically and immediately expire and be forfeited.
- (e) Termination without Cause or Voluntary Resignation: Subject to section 5.9(f) below, if a Participant ceases to be eligible to be a Participant under the Plan for any reason, other than as set out in sections 5.9(a)-(d), then, unless otherwise determined by the Board in its sole discretion, as of the Termination Date:
 - (i) all unvested Options shall automatically and immediately expire and be forfeited, and
 - (ii) all vested Options shall continue to be subject to the Plan and exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

- (f) Existing Options. Notwithstanding any other provisions herein, in connection with the resignation of the Participants holding Existing Options, the Existing Options shall be exercisable for a period of 90 days after the Termination Date, provided that any Existing Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

5.10 Non-transferability of Options. An Option granted under this Article 5 may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, all Options granted to a Participant under this Article 5 shall be exercisable during such Participant's lifetime only by such Participant.

ARTICLE 6 SHARE APPRECIATION RIGHTS

6.1 Grant of SARs. Subject to the terms and conditions of the Plan, SARs may be granted to Participants at any time and from time to time and upon such terms as shall be determined by the Committee in its discretion. The Committee may grant Freestanding SARs, Tandem SARs, or any combination of these forms of SARs.

The Grant Price for each grant of a Freestanding SAR shall be determined by the Committee and shall be specified in the Award Agreement. The Grant Price may be based on one hundred percent (100%) of the FMV of the Shares on the date of grant, or set at a premium to the FMV of the Shares on the date of grant, or be indexed to the FMV of the Shares on the date of grant, with the index determined by the Committee, in its discretion, provided that the Grant Price may never be less than the FMV of the Shares on the date of Grant. The Grant Price of Tandem SARs shall be equal to the Option Price of the related Option.

6.2 SAR Agreement. Each SAR Award shall be evidenced by an Award Agreement that shall specify the Grant Price, the term of the SAR, and any such other provisions as the Committee shall determine.

6.3 Term of SAR. The term of a SAR granted under the Plan shall be determined by the Committee, in its sole discretion, and subject to section 6.4, no SAR shall be exercisable later than the tenth (10th) anniversary date of its grant.

6.4 Blackout Periods. If the date on which a SAR is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such SAR shall be extended to the last day of such 10 business day period.

6.5 Exercise of Freestanding SARs. Freestanding SARs may be exercised upon whatever terms and conditions the Committee, in its sole discretion, imposes.

6.6 Exercise of Tandem SARs. With respect to Participants who are not subject to taxation under the ITA, Tandem SARs may be exercised for all or part of the Shares subject to the related Option upon the surrender of the right to exercise the equivalent portion of the related Option, if applicable. With respect to Participants subject to taxation under the ITA, prior to exercising a Tandem SAR the Participant must elect to receive the Tandem SAR in consideration for the disposition of that Participant's right to receive Shares under the Option. A Tandem SAR may be exercised only with respect to the Shares for which its related Option is then exercisable.

6.7 Payment of SAR Amount. Upon the exercise of a SAR, a Participant shall be entitled to receive payment from the Company in an amount representing the difference between the FMV of the underlying Shares on the date of exercise over the Grant Price. At the discretion of the Committee, the payment upon SAR exercise may be in cash, Shares of equivalent value (based on the FMV of the Shares on the date of exercise of the SAR, as defined in the Award Agreement or otherwise defined by the Committee thereafter), in some combination thereof, or in any other form approved by the Committee at its sole discretion. Payment shall be made no earlier than the date of exercise nor later than 2½ months after the close of the year in which the SAR is exercised. The Committee's determination regarding the form of SAR payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the SAR.

6.8 Termination of Employment. Each Award Agreement shall set forth the extent to which the Participant shall have the right to exercise the SAR following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all SARs issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that such provisions shall comply with the rules of the CSE.

6.9 Non-transferability of SARs. A SAR granted under the Plan may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, all SARs granted to a Participant under the Plan shall be exercisable during such Participant's lifetime only by such Participant.

ARTICLE 7 RESTRICTED SHARE UNITS

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

7.2 Restricted Share Unit Agreement. Each Restricted Share Unit grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction, the number of Restricted Share Units granted, the settlement date for Restricted Share Units, whether such Restricted Share Unit is settled in cash, Shares or a combination thereof or if the form of payment is reserved for later determination by the Committee, and any such other provisions as the Committee shall determine, provided that unless otherwise determined by the Committee or as set out in any Award Agreement, no Restricted Share Unit shall vest later than three years after the date of grant. The Committee shall impose, in the Award Agreement at the time of grant, such other conditions and/or restrictions on any Restricted Share Units granted pursuant to the Plan as it may deem advisable, including, without limitation, restrictions based upon the achievement of specific performance criteria, time-based restrictions on vesting following the attainment of the performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the CSE.

7.3 Vesting of Restricted Share Units. Unless otherwise specified in an Award Agreement, and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Restricted Share Units, Restricted Share Units shall vest equally over a two year period such that 1/2 of the Restricted Share Units granted in an Award shall vest on each of the first and second anniversary dates of the date that the Award was granted, and provided that no Restricted Share Unit granted shall vest and be payable after December 31 of the second calendar year following the year of service for which the Restricted Share Unit was granted.

7.4 Black Out Periods. If the date on which a Restricted Share Unit is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Award shall be extended to the last day of such 10 business day period.

7.5 Non-transferability of Restricted Share Units. The Restricted Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated until the date of settlement through delivery or other payment, or upon earlier satisfaction of any other conditions, as specified by the Committee in its sole discretion and set forth in the Award Agreement at the time of grant or thereafter by the Committee. All rights with respect to the Restricted Share Units granted to a Participant under the Plan shall be available during such Participant's lifetime only to such Participant.

7.6 Dividends and Other Distributions. During the Period of Restriction, Participants holding Restricted Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Restricted Share Units.

7.7 Death, Disability, Retirement and Termination or Resignation of Employment.

If the Award Agreement does not specify the effect of a termination or resignation of employment then the following default rules will apply:

- (a) Death: If a Participant dies while an Employee, Director of, or Consultant to, the Company or an Affiliate:
 - (i) all unvested Restricted Share Units as at the Termination Date shall automatically and immediately vest; and
 - (ii) all vested Restricted Share Units (including those that vested pursuant to (i) above) shall be paid to the Participant's estate in accordance with the terms of the Plan and the Award Agreement.
- (b) Disability: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their Disability, then all Restricted Share Units remain and continue to vest in accordance with the terms of the Plan for a period of 12 months after the Termination Date, provided that any Restricted Share Units that have not vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.
- (c) Retirement: If a Participant Retires then the Board shall have the discretion, with respect to such Participant's Restricted Share Units, to determine: (i) whether to accelerate vesting of any or all of such Restricted Share Units, (ii) whether any of such Restricted Share Units shall be cancelled, with or without payment, and (iii) how long, if at all, such Restricted Share Units may remain outstanding following the Termination Date; provided, however, that in no event shall such Restricted Share Units remain outstanding for more than 12 months after the Termination Date. Notwithstanding the above, for U.S.

Participants, the treatment of Restricted Share Units upon retirement shall be provided for in the Award Agreement.

- (d) Termination for Cause: If a Participant ceases to be eligible to be a Participant under the Plan as a result of their termination for Cause, then all Restricted Share Units, whether vested or not, as at the Termination Date shall automatically and immediately be forfeited.
- (e) Termination without Cause or Voluntary Resignation: If a Participant ceases to be eligible to be a Participant under the Plan for any reason, other than as set out in sections 7.7(a)-(d), then, unless otherwise determined by the Board in its sole discretion, as of the Termination Date:
 - (i) all unvested Restricted Share Units shall automatically and immediately be forfeited, and
 - (ii) all vested Restricted Share Units shall be paid to the Participants in accordance with the terms of the Plan and the Award Agreement.

7.8 Payment in Settlement of Restricted Share Units. When and if Restricted Share Units become payable, the Participant issued such Restricted Share Units shall be entitled to receive payment from the Company in settlement of such Restricted Share Units: (i) in cash, in an amount equal to the product of the FMV of a Share on the applicable settlement date multiplied by the number of Restricted Share Units being settled, (ii) in a number of Shares (issued from treasury) equal to the number of Restricted Share Units being settled, (iii) in some combination thereof, or (iv) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Restricted Share Units. In the event settlement is made by payment in cash, such payment shall be made by the earlier of (i) 2½ months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date.

ARTICLE 8 DEFERRED SHARES UNITS

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

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

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

8.4 Black Out Periods. If the date on which a Deferred Share Unit is scheduled to expire occurs during, or within 10 business days after the last day of a Black Out Period applicable to such Participant, then the expiry date for such Award shall be extended to the last day of such 10 business day period.

8.5 Dividends and Other Distributions. Participants holding Deferred Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Deferred Share Units.

8.6 Termination of Employment, Consultancy or Directorship. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Deferred Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Deferred Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that provisions shall comply with applicable rules of the CSE.

8.7 Payment in Settlement of Deferred Share Units. When and if Deferred Share Units become payable, the Participant issued such Deferred Share Units shall be entitled to receive payment from the Company in settlement of such Deferred Share Units: (i) in cash, in an amount equal to the product of the FMV of a Share on the applicable settlement date less the stipulated purchase price for the Deferred Share Units being settled, if any, multiplied by the number of Deferred Share Units being settled, (ii) in a number of Shares (issued from treasury) equal to the number of Deferred Share Units being settled, (iii) in some combination thereof, or (iv) in any other form, all as determined by the Committee at its sole discretion. The Committee's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the Deferred Share Units.

ARTICLE 9 PERFORMANCE SHARE UNITS

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

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

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

9.4 Form and Timing of Payment of Performance Share Units. Payment of earned Performance Share Units shall be as determined by the Committee and as set forth in the Award Agreement. Subject to the terms of the Plan, the Committee, in its sole discretion, may pay earned Performance Share Units in the form of: (i) cash equal to the value of the Shares underlying the earned Performance Share Units at the end of the applicable Performance Period, (ii) a number of Shares issued from treasury equal to the number of earned Performance Share Units at the end of the applicable Performance Period, or (iii) in a combination thereof. Any Shares may be granted subject to any restrictions deemed appropriate by the Committee. The determination of the Committee with respect to the form of payout of such Awards shall be set forth in the Award Agreement for the grant of the Award or reserved for later determination. In no event will delivery of such Shares or payment of any cash amounts be made later than the earlier of (i) 2½ months after the close of the year in which such conditions or restrictions were satisfied or lapsed and (ii) December 31 of the third year following the year of the grant date.

9.5 Dividends and Other Distributions. Participants holding Performance Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares or Performance Share Units.

9.6 Termination of Employment, Consultancy or Directorship. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Performance Share Units following termination of the Participant's employment or other relationship with the Company or its Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Performance Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with applicable rules of the CSE.

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

ARTICLE 10 BENEFICIARY DESIGNATION

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

10.2 Discretion of the Committee. Notwithstanding the provisions above, the Committee may, in its discretion, after notifying the affected Participants, modify the foregoing requirements, institute additional requirements for beneficiary designations, or suspend the existing beneficiary designations of

living Participants or the process of determining beneficiaries under this Article 10, or both, in favor of another method of determining beneficiaries.

ARTICLE 11 RIGHTS OF PERSONS ELIGIBLE TO PARTICIPATE

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

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

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

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

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

ARTICLE 12 CHANGE OF CONTROL

12.1 Change of Control and Termination of Employment. Subject to section 12.2, if there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, on the Termination Date, if the Participant is an Employee, officer or a Director and their employment, or officer or Director position is terminated or they resign for Good Reason within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the Exchange is either obtained or not required.

12.2 Discretion to Board. Notwithstanding any other provision of the Plan, in the event of an actual or potential Change of Control, the Board may, in its sole discretion, without the necessity or requirement for the agreement of any Participant: (i) accelerate, conditionally or otherwise, on such terms as it sees fit (including, but not limited to those set out in (iii) and (iv) below), the vesting date of any Awards; (ii) permit the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards, including for greater certainty by (1) permitting Participants to exercise or redeem any Awards to assist the Participants to participate in the actual or

potential Change of Control, or (2) providing that any Awards exercised or vested shall be exercisable or redeemed for, in lieu of Shares, such property (including shares of another entity or cash) that shareholders of the Company will receive in the Change of Control; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised or redeemed prior to the successful completion of such Change of Control. With respect to U.S. Participant, the treatment of Awards upon a Change of Control shall be provided for in the Award Agreement.

12.3 Non-Occurrence of Change of Control. In the event that any Awards are conditionally exercised pursuant to section 12.2 above and the Change of Control does not occur, the Board may, in its sole discretion, determine that any (i) Awards so exercised shall be reinstated as the type of Award prior to such exercise, and (ii) Shares issued be cancelled and any exercise or similar price received by the Company shall be returned to the Participant.

12.4 Agreement with Purchaser in a Change of Control. In connection with a Change of Control, the Board may be permitted to condition any acceleration of vesting on the Participant entering into an employment, confidentiality or other agreement with the purchaser as the Board deems appropriate.

ARTICLE 13 AMENDMENT AND TERMINATION

13.1 Amendment and Termination. The Board may, at any time, suspend or terminate the Plan. Subject to compliance with any applicable law, including the rules of the CSE, the Board may also, at any time, amend or revise the terms of the Plan and any Award Agreement. No such amendment of the Plan or Award Agreement may be made if such amendment would materially and adversely impair any rights arising from any Awards previously granted to a Participant under the Plan without the consent of the Participant or the representatives of his or her estate, as applicable. Any amendment that would cause an Award held by a Participant that is a U.S. taxpayer to fail to comply with Section 409A of the Code shall be null and void with respect to such Participant.

13.2 Reduction of Option Price or Grant Price. Disinterested shareholder approval as required by the policies of the CSE shall be obtained for any reduction in the Option Price of an Option or the Grant Price of a SAR if the Participant is an Insider of the Company at the time of the proposed amendment.

ARTICLE 14 WITHHOLDING

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

14.2 Acknowledgement. Participant acknowledges and agrees that the ultimate liability for all taxes legally payable by Participant is and remains Participant's responsibility and may exceed the amount actually withheld by the Company. Participant further acknowledges that the Company: (a) makes no representations or undertakings regarding the treatment of any taxes in connection with any aspect of the Plan; and (b) does not commit to and is under no obligation to structure the terms of the Plan

to reduce or eliminate Participant's liability for taxes or achieve any particular tax result. Further, if Participant has become subject to tax in more than one jurisdiction, Participant acknowledges that the Company may be required to withhold or account for taxes in more than one jurisdiction.

ARTICLE 15 SUCCESSORS

Any obligations of the Company or its Affiliates under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Company or its Affiliates, respectively, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the businesses and/or assets of the Company or the Affiliate, as applicable.

ARTICLE 16 GENERAL PROVISIONS

16.1 Delivery of Title. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under the Plan prior to:

- (a) Obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
- (b) Completion of any registration or other qualification of the Shares under any applicable law or ruling of any governmental body that the Company determines to be necessary or advisable.

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

16.3 Uncertificated Shares. To the extent that the Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may be effected on a noncertificated basis to the extent not prohibited by applicable law or the rules of the CSE.

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

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

16.6 No Constraint on Corporate Action. Nothing in the Plan shall be construed (i) to limit, impair or otherwise affect the Company's or its Affiliates' right or power to make adjustments, reclassifications, reorganizations or changes in its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell or transfer all or any part of its business or assets, or (ii) to limit the right or power of the Company or its Affiliates to take any action which such entity deems to be necessary or appropriate.

16.7 Compliance with Canadian Securities Laws. All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to an exemption from the prospectus requirements of Canadian securities laws where applicable. In addition to any applicable resale restrictions under Canadian securities laws, where Awards are granted pursuant to section 2.24 of National Instrument 45-106, the Awards and any Shares issued on the exercise of such Awards must be legended with a four month hold period commencing on the date the Awards were granted, unless written approval is obtained from the CSE.

16.8 Compliance with U.S. Securities Laws. All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to the registration requirements of the U.S. Securities Act of 1933, as amended or an exemption from such registration requirements. If the Awards or Shares are not so registered and no such registration exemption is available, the Company shall not be required to issue any Shares otherwise issuable hereunder.

ARTICLE 17 LEGAL CONSTRUCTION

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

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

17.3 Requirements of Law. The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or securities exchanges as may be required. The Company or an Affiliate of the Company shall receive the consideration required by law for the issuance of Awards under the Plan.

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

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

17.5 Compliance with Section 409A of the Code.

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

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