



Notice of Annual General Meeting and Management Information Circular

For the Annual General Meeting of Shareholders to be held on October 25, 2023

Dated as of September 26, 2023

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1710-1050 West Pender Street
Vancouver, BC, V6E 3S7

NOTICE OF ANNUAL GENERAL MEETING

Take notice that the annual general meeting (the “**Meeting**”) of the shareholders of LQWD Technologies Corp. (the “**Company**”) will be held at the offices of the Company, located at 1710-1050 West Pender Street, Vancouver, BC, V6E 3S7, on October 25, 2023, at 11:00 a.m. (PST), for the following purposes:

1. To receive the consolidated financial statements of the Company for its fiscal years ended February 28, 2023, and the report of the auditors thereon.
2. To fix the number of directors for the ensuing year at five (5).
3. To elect directors to hold office until the next shareholders’ meeting of the Company.
4. To appoint Kingston Ross Pasnak LLP as the auditor of the Company to hold office until the next shareholders’ meeting of the Company and to authorize the directors to fix the remuneration to be paid to the auditor.
5. To consider and, if deemed fit, approve an ordinary resolution to confirm the Company’s stock option plan, as required annually by the policies of the TSX Venture Exchange.
6. To consider any permitted amendment to or variation of any matter identified in this notice of the Meeting and to transact such other business as may properly come before the Meeting or any adjournment thereof.

A Management Information Circular (“**Information Circular**”) accompanies and is deemed to form part of this notice of the Meeting. The Information Circular contains details of matters to be considered at the Meeting. Additional information is also available free of charge on SEDAR+ at www.sedarplus.ca.

A shareholder who is unable to attend the Meeting and who wishes to ensure that such shareholder’s shares will be voted at the Meeting is requested to complete, date and sign the enclosed form of proxy (the “**Proxy**”), or another suitable form of proxy, and deliver it in accordance with the instructions set out in the Proxy and in the Information Circular.

If you have any questions about the procedures required to qualify to vote at the Meeting or about obtaining and depositing the required Proxy, you should contact the Company’s transfer agent, Computershare Investor Services Inc., by fax within North America at 1-866-249-7775, outside North America at 416-263-9524, by telephone (toll free) at 1-866-732-8683 or by e-mail at service@computershare.com.

Dated at Vancouver, British Columbia, September 26, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

“Shone Anstey”

Shone Anstey
Chief Executive Officer



1710-1050 West Pender Street
Vancouver, BC, V6E 3S7

MANAGEMENT INFORMATION CIRCULAR

as at September 26, 2023

This Management Information Circular (“Information Circular”) is furnished in connection with the solicitation of proxies by the management of LQWD Technologies Corp. (“LQwD” or the “Company”) for use at the annual general meeting of its shareholders (the “Meeting”) to be held on October 25, 2023, at the time and place and for the purposes set forth in the accompanying notice of the Meeting. Except where otherwise indicated, the information contained herein is stated as at September 26, 2023.

In this Information Circular, references to “LQWD Technologies Corp.”, “LQWD”, “the Company”, “we” and “our” refer to LQWD Technologies Corp. “Common Shares” means common shares in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name, “Registered Shareholders” means shareholders whose names appear on the records of the Company as the registered holders of Common Shares and “intermediaries” refers to brokers, investment firms, clearing houses, trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The form of proxy accompanying this Information Circular (the “**Proxy**”) is solicited by and on behalf of the management of the Company. The solicitation of Proxies will be primarily by mail, but Proxies may be solicited personally, by telephone or other means of communication and by directors, officers, and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders, and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying Proxy are officers of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.** The only methods by which you may appoint a person as proxy are submitting the Proxy, or other suitable form of proxy, by mail, hand delivery, fax, phone or by way of the Internet, as set out on the accompanying Proxy.

Voting by Proxyholder; Exercise of Discretion

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

The Proxy confers discretionary authority on persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;

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

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

If you are a Registered Shareholder, you may wish to vote by Proxy whether or not you are able to attend the Meeting in person. If you submit a Proxy, you must complete, date and sign the Proxy and then return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at 416-263-9524, by phone at 1-866-732-8683, by way of the Internet at www.investorvote.com, or by mail or by hand at 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, no later than 11:00 a.m. (PST) on August 22, 2022.

Beneficial Shareholders

The following information is of importance to many shareholders of the Company who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In the U.S., the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

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

If you are a Beneficial Shareholder:

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

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

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

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

There are two (2) kinds of Beneficial Shareholders: those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners); and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners).

The Company has decided to continue to take advantage of those provisions of National Instrument 54-101, *Communication with Beneficial Owners of Securities of Reporting Issuers* (“**NI 54-101**”) that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable voting instruction form (the “**VIF**”) from Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as fully described on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIFs they receive. The Company intends to pay for intermediaries to deliver the proxy related materials and related forms with respect to the Meeting to OBOs. The Company is not sending the Meeting materials to shareholders using “notice-and-access”, as defined in NI 54-101.

NOBOs should carefully follow the instructions of Computershare, including those regarding when and where to complete the VIFs that are to be returned to Computershare. Should a NOBO wish to vote at the Meeting in person, the NOBO must insert the name of the NOBO in the space provided and attend the Meeting and vote in person.

NOBOs who wish to change their vote must contact Computershare to arrange to change their vote in sufficient time in advance of the Meeting.

These shareholder materials are being sent to both Registered Shareholders and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding Common Shares on your behalf.

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

Beneficial Shareholders with questions respecting the voting of Common Shares held through a stockbroker or other financial intermediary should contact that stockbroker or other intermediary for assistance.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a Proxy, or other suitable form of proxy, may revoke it 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 Registered Shareholder is a company, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date or the notice of revocation to Computershare or at the head office of the Company at 1710-1050 West Pender Street, Vancouver, BC, V6E 3S7, or
- (b) at the address of the Company's Attorney for Service in British Columbia at 2200-700 West Georgia Street, Vancouver, BC, V7Y 1K8, 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
- (c) 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.

CURRENCY

All currency amounts in this Information Circular are expressed in Canadian dollars, unless otherwise indicated.

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

Other than as set out herein, no director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors of the Company (the "**Board**") has fixed September 20, 2023, as the record date (the "**Record Date**") for the determination of persons entitled to receive notice of, and vote at, the Meeting and any adjournment thereof. Only Registered Shareholders at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a Proxy, or other suitable form of proxy, in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares without par value. As at September 26, 2023, there were 11,603,026 Common Shares without par value issued and outstanding, each carrying the right to one vote. The Company has no other classes of voting securities.

As at the date of this Information Circular, to the knowledge of the directors and executive officers of the Company, no one shareholder beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all of the outstanding Common Shares of the Company.

QUORUM; VOTES NECESSARY TO PASS RESOLUTIONS

The Company's Articles provide that a quorum for the transaction of business at any shareholders' meeting is one (1) shareholder or proxyholder present at the shareholders' meeting. If a quorum is not present within one-half hour after the time set for the commencement of the Meeting, the Meeting will be adjourned and set over for one week to the same time and place, and thereupon whatever number of Common Shares is represented shall constitute a quorum.

A simple majority (being 50% plus one vote) of affirmative votes cast at the Meeting is required to pass an ordinary resolution of the Company, whereas a special majority (being 66 2/3%) of affirmative votes cast at the Meeting is required to pass a special resolution of the Company. If there are more nominees for election as directors or appointment as the Company’s auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed.

COMPENSATION OF EXECUTIVE OFFICERS

Set out below are particulars of compensation paid to the following persons (the “**Named Executive Officers**” or “**NEOs**”):

- (a) the Company’s Chief Executive Officer (“**CEO**”);
- (b) the Company’s Chief Financial Officer (“**CFO**”);
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

As at February 28, 2023, the end of the most recently completed financial year of the Company, the Company had two (2) Named Executive Officers, whose name and positions held within the Company are set out under “*Summary Compensation Table*” below.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table (presented in accordance with National Instrument Form 51-102F6V, is a summary compensation (excluding compensation securities)) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to the directors and NEOs for each of the Company’s two most recently completed financial years (February 28, 2022 and February 28, 2023).

Table of Compensation Excluding Compensation Securities							
Name and position	Year ended February 28	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Shone Anstey <i>CEO and Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	\$57,614	Nil	Nil	Nil	Nil	\$57,614
Barry MacNeil <i>CFO</i>	2023	\$57,000	Nil	Nil	Nil	Nil	\$57,000
	2022	\$60,000	Nil	Nil	Nil	Nil	\$60,000
Giuseppe (Pino) Perone <i>Corporate Secretary and Director</i>	2023	\$57,000	Nil	Nil	Nil	Nil	\$57,000
	2022	\$60,000	Nil	Nil	Nil	Nil	\$60,000

Table of Compensation Excluding Compensation Securities							
Name and position	Year ended February 28	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Ashley Garnot <i>Director</i>	2023	\$85,000	Nil	Nil	Nil	Nil	\$85,000
	2022	\$90,000	Nil	Nil	Nil	Nil	\$90,000
Kim Evans <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

External Management Companies

No NEOs or directors of the Company provide their services through external management companies.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each director and NEO by the Company during the year ended February 28, 2023.

Table of Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class	Percentage of common shares outstanding	Date of issue or grant	Exercise price and closing price of security on date of grant (CAD)	Closing price of security at year end (CAD)	Expiry date
Shone Anstey <i>CEO and Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Barry MacNeil <i>CFO</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Giuseppe (Pino) Perone <i>Corporate Secretary and Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Ashley Garnot <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Kim Evans <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The following table discloses the total amount of compensation securities held by the NEOs and directors as at the Company's financial year ended February 28, 2023:

Name and Position	Number of Options as at February 28, 2023
Shone Anstey, <i>CEO and Director</i>	Nil
Barry MacNeil, <i>CFO</i>	122,500
Giuseppe (Pino) Perone, <i>Corporate Secretary and Director</i>	152,500
Ashley Garnot, <i>Director</i>	160,000
Kim Evans, <i>Director</i>	Nil

No compensation securities were re-priced, cancelled and replaced, had their term extended, or otherwise materially modified in the Company's financial year ended February 28, 2023.

There are no restrictions or conditions for converting, exercising, or exchanging the compensation securities.

No compensation securities were exercised by NEOs and directors during the financial year ended February 28, 2023.

Stock Option Plans and Other Incentive Plans

Under the Company's stock option plan (the "**Stock Option Plan**"), the directors are authorized to grant options to purchase Common Shares ("**Options**") to purchase up to 10% of the Common Shares from time to time. The purpose of the Stock Option Plan is to attract and retain directors, executive officers, employees, and consultants who will be motivated to work towards ensuring the success of the Company by affording such persons with an opportunity to acquire an equity interest in the Company through the Options.

The criteria used to determine eligibility for granting options, including the term of each option and the vesting of each option is at the discretion of the Board based upon the individual's level of responsibility, performance and comparative levels of compensation and previous grants awarded. Proposed grants of Options are submitted to the Board for approval by the Company's Compensation Committee. The Board administers and has the authority to amend the Stock Option Plan, subject to applicable shareholder and regulatory approvals. For further information regarding the terms of the Stock Option Plan, refer to the heading below "*Particulars of Matters to be Acted Upon - Approval of Stock Option Plan*".

Employment, Consulting and Management Agreements

Other than as disclosed below, the Company does not have any contracts, agreements, plans or arrangements that provides for payments to a director or NEO at, following or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's responsibilities.

On January 1, 2020, the Company entered into an executive employment agreement with Shone Anstey that provided for an annual salary of \$12,000, which increased to an annual salary of \$90,000 as of June 1, 2021, for a period of three (3) years for his services as the CEO, and on February 1, 2022, the annual salary was reduced to \$nil by mutual agreement between the Company and Mr. Anstey.

On June 9, 2021, the Company entered into an executive employment agreement with Barry MacNeil that provided for an annual salary of \$60,000 for his services as the Company's CFO, which was reduced to \$42,000 on January 1, 2023. The Company is entitled to terminate the agreement at any time without cause by providing six (6) months' written notice to Mr. MacNeil or cash paid in lieu of such notice, and upon the expiry of such notice, the agreement will terminate. In such event, Mr. MacNeil will not be entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination (\$21,000). Mr. MacNeil may terminate this agreement at any time in the absence of a material breach of the agreement by the Company by providing not less than

(30) days' prior written notice of termination to the Company, in which case Mr. MacNeil will only be entitled to receive any payment owing to him up to the termination date (\$3,500). If any of the following events occur within the twelve (12) month period immediately following a change of control, then, at Mr. MacNeil's election, of which Mr. MacNeil shall have advised the Company by notice in writing within ninety (90) days of the event occurring, the agreement would be deemed to have been terminated by the Company and the Company would, immediately upon such termination, pay to Mr. MacNeil an amount equal to his base salary for six (6) months (\$21,000):

- (a) if the agreement is terminated by the Company without cause after such change of control;
- (b) if Mr. MacNeil is placed in a position of lesser stature than that of CFO after such change of control;
- (c) if Mr. MacNeil was assigned duties significantly inconsistent with the position of CFO immediately prior to such change of control;
- (d) if Mr. MacNeil is assigned performance requirements or working conditions that were at variance with the performance requirements and working conditions in effect immediately preceding the change of control;
- (e) if Mr. MacNeil is accorded treatment on a general basis that is in derogation of his status as CFO after such change of control; or
- (f) any requirement that the location at which Mr. MacNeil is required to perform his principal duties after the change of control is outside a radius of twenty-five (25) miles from the location at which he performs such duties immediately before the change of control.

In addition, all Options held by Mr. MacNeil would vest immediately and expire in ninety (90) days.

Oversight and Description of Director and Named Executive Officer Compensation

Compensation Philosophy and Objectives

The primary goal of the Company's executive compensation program is to attract and retain key executives necessary for the Company's long-term success, to encourage executives to further the development of the Company and its operations, and to motivate top quality and experienced executives.

Compensation Elements

The key elements of the executive compensation program are: (i) base salary; and (ii) Options. The directors are of the view that both elements of the program should be considered, rather than either element in isolation.

The independent directors of the Company are Ashley Garnot and Kim Evans. These directors assist in recommending to the Board the appropriate compensation for the Company's directors and senior management.

The independent directors of the Company also assist in monitoring compensation of the directors and executive officers of the Company. The Board periodically reviews the compensation paid to directors and management based on such factors as: i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Company's shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general. The determination of appropriate compensation reflects the need to incentivize and compensate the directors and senior management for the time and effort expended in connection with operating and managing the affairs of the Company while taking into account the financial and other resources of the Company. The Board has not retained any compensation consultants or advisors to assist in determining compensation for any of the Company's directors or officers.

The Board has not undertaken a formal analysis of the implications of the risks associated with the Company's compensation policies and practices and the Company has not adopted a formal compensation policy.

Also, the Company has not adopted a formal policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by directors or officers; however, the Company is not aware of any directors or officers having entered into this type of transaction.

Pension Disclosure

The Company has not established any pension plans, defined contribution plans, or deferred compensation plans for directors and executive officers that provide for payments or benefits at, following or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has no compensation plans under which equity securities are authorized for issuance, except for the shareholder approved Stock Option Plan.

The following table sets out the equity compensation plan information as at February 28, 2023:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by securityholders	2,190,677	\$4.54	380,743
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	2,190,677	\$4.54	380,743

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, proposed nominee for election as director, executive officer or their respective associates or affiliates, other management of the Company, employees, or former executive officers, directors or employees were indebted to the Company or its subsidiaries as at the end of the most recently completed financial year or as at the date hereof or have been indebted to the Company or its subsidiaries at any time since the beginning of the most recently completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An informed person is one who, generally speaking, is a director or officer or a 10% shareholder of the Company. To the knowledge of management of the Company, no informed person of the Company or proposed director of the Company or a subsidiary of the Company or any associate or affiliate of any informed person or proposed director had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, other than as set out below or elsewhere in this Information Circular.

MANAGEMENT CONTRACTS

Management functions of the Company and its subsidiaries are not, to any substantial degree, performed by anyone other than the directors or executive officers of the Company.

AUDIT COMMITTEE

The Company is required to have an Audit Committee under the Act and pursuant to the provisions of National Instrument 52-110, *Audit Committees* (“**NI 52-110**”), which must be comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. Pursuant to NI 52-110, the Company is required to have a written charter, which sets out the duties and responsibilities of the Audit Committee.

Audit Committee Charter

The text of the Audit Committee’s charter is attached as Appendix “A” to this Information Circular.

Composition of Audit Committee and Independence

The Audit Committee is comprised of Kim Evans (Chairman), Ashley Garnot, and Shone Anstey.

NI 52-110 provides that a member of an audit committee is “independent” if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of the member’s independent judgment. All the members of the Audit Committee are considered “independent” within the meaning of NI 52-110.

NI 52-110 provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements. All the members of the Audit Committee are “financially literate” as that term is defined.

Relevant Education and Experience

Refer to the heading “*Election of Directors - Information Regarding Management’s Nominees for Election to the Board*” for information regarding the Audit Committee members’ education and experience that is relevant to the performance of their responsibilities as an Audit Committee member

Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on:

- a) the exemption in section 2.4 (De Minimis Non-Audit Services) of NI 52-110; or
- b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

Audit Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Kingston Ross Pasmak LLP (“KRP”), to ensure auditor independence. Fees incurred with KRP for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended February 28, 2022	Fees Paid to Auditor in Year Ended February 28, 2023
Audit Fees ⁽¹⁾	\$109,014	\$122,000
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	\$2,000	\$2,323
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$111,014	\$124,323

Notes:

- 1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of LQWD’s consolidated financial statements and includes the fees of KRP also include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- 2) “Audit-Related Fees” include fees for services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- 3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions and requests for rulings or technical advice from tax authorities.
- 4) “All Other Fees” include fees for all other non-audit services.

Exemption

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE DISCLOSURE

General

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”) requires issuers to disclose their corporate governance practices with respect to corporate governance guidelines that they have adopted. National Policy 58-201 *Corporate Governance Guidelines* provides guidance to issuers on corporate governance practices.

The Board understands that good corporate governance improves corporate performance and benefits all shareholders. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

1. Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment and includes the holding of an executive officer position.

The Board facilitates its independent supervision over management by conducting a quarterly review of the Company's financial statements and management discussion and analysis as well as requiring material transactions to be approved by the Board prior to the transaction taking place.

The independent members of the Board are Ashley Garnot, Alex Guidi, and Kim Evans. Shone Anstey and Giuseppe (Pino) Perone are not considered independent members of the Board because they are the Company's CEO and Corporate Secretary, respectively. The Company considers its current Board composition to be sufficient given the current state of the Company's business, but it continues to review the composition of the Board on an annual basis.

Given the size of the Company, the current composition of the Board and the nature of activities to date, the independent members of the Board are not expected to hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. This practice will be reassessed as the Company grows. In order to facilitate open and candid discussion among independent directors, from time to time as circumstances dictate, the independent directors can request a meeting or a portion thereof to be restricted to independent directors for the purpose of discussing matters independently of management. In addition, independent directors are encouraged to remain in communication with one another between meetings as and when they deem it appropriate.

Each member of the Board is encouraged to conduct a self-review to determine if they are providing an effective service regarding both the Company and its shareholders. Should it be deemed that a member of the Board is unable to effectively act on behalf of the Board or in the interests of the Company or its shareholders, the director would be encouraged to resign his or her position on the Board.

2. Board Mandate

The Board does not have a written mandate. The Board delineates its role and responsibilities based on the statutory and common law applicable to the Company. The Board believes its mandate is to manage the business and affairs of the Company. While day-to-day management of the Company has been delegated by the Board to executive management, the Board fulfills its responsibility for the broader stewardship of the Company's business and affairs through its regular meetings at which members of management provide reports to the Board with respect to the Company's business and operations, make proposals to the Board and receive the Board's decisions for implementation. Any responsibility that has not been delegated to executive management or a Board committee remains with the full Board.

The Board believes that its approach to corporate governance is appropriate and works effectively for the Company and its shareholders and is consistent with the overall business of the Company and its stage of development.

3. Directorships

Giuseppe (Pino) Perone is currently a director of other issuers that are reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction. Specifically, Mr. Perone is a director of Kingfisher Metals Corp. and Intertidal Capital Corp.

4. Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new Board members are provided with: (1) access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information; and (2) access to management and technical experts and consultants.

Board members are encouraged to communicate with management, auditors, and technical consultants; to keep themselves current with developments and changes in legislation with management's assistance; and to visit the Company's operations.

5. Ethical Business Conduct

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders and expects management and employees to conduct themselves in an ethical manner at all times. This expectation is communicated to management and employees on an informal basis with a view to promoting a culture of ethical business conduct.

6. Nomination of Directors

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

7. Compensation

See "*Compensation of Executive Officers - Compensation Elements*" above.

8. Other Board Committees

The Board has no committees other than the Audit Committee. In light of the Company's stage of development and Board composition, it considers this to be reasonable.

9. Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal assessments of the Board's effectiveness. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board is of the view that the Company's corporate governance practices are appropriate and effective for the Company, given its relatively small size and limited operations. The Company's method of corporate governance allows for the Company to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without excessive administrative burden.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Receive Financial Statements and Auditor's Report

The audited consolidated financial statements and the related management discussion and analysis of the Company for the years ended February 28, 2022, and February 28, 2023, and the report of the auditor on those statements will be placed before the Meeting.

The audited consolidated financial statements and the report of the auditor thereon, and the related management discussion and analysis are included in the Company's Annual Report for the fiscal years ended February 28, 2022, and February 28, 2023. If the shareholder has previously requested a copy of the annual financial statements and the related management discussion and analysis, such Annual Report will have been mailed to the shareholder, or the shareholder will have received an email notification that the financial statements and the related management discussion and analysis for the fiscal years ended February 28, 2022, and February 28, 2023, are available for download without charge from SEDAR+ at www.sedarplus.ca.

2. Election of Directors

The Board presently consists of five (5) directors. At the Meeting, it is intended that five (5) directors be elected for the ensuing year. The term of office of each of the five (5) current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions

of the *Business Corporations Act* (British Columbia) (the “**Act**”), each director elected will hold office until the conclusion of the next shareholders’ meeting of the Company, or until their successor is elected or appointed.

The following table sets out the names of management’s five (5) nominees for election as director, their jurisdiction of residence, the offices they hold within the Company, their principal occupations, the period of time during which each has been a director of the Company, the number of Common Shares of the Company and its subsidiaries beneficially owned by each, or over which each nominee exercises control or direction, directly or indirectly, and the nominees’ membership on committees of the Board as at the date of this Information Circular. The Board does not have an executive committee. There is presently one (1) committee of the Board; namely, the Audit Committee.

In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the management of the Company will be voted for the nominees listed in this Information Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

Name, Position with the Company, and Residence⁽¹⁾	Principal Occupation for the Past Five Years⁽¹⁾	Director of the Company since	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly⁽²⁾	Committee Membership
Shone Anstey <i>Chief Executive Officer and Director</i> British Columbia, Canada	<ul style="list-style-type: none"> • President of BIGG Digital Assets Inc. from November 2017 to August 2019 • President of Blockchain Technology Group Inc. from January 2015 to August 2019 	June 9, 2021	962,096	Audit Committee
Alex Guidi <i>Director</i> British Columbia, Canada	<ul style="list-style-type: none"> • Self-employed businessman 	April 4, 2023	503,750	Nil
Giuseppe (Pino) Perone <i>Corporate Secretary and Director</i> British Columbia, Canada	<ul style="list-style-type: none"> • Corporate Secretary and General Counsel of TAG Oil Ltd. from December 2009 to present • Corporate Secretary of Kainantu Resources Ltd. from December 2020 to present • Corporate Secretary and Director of Intertidal Capital Corp. from April 2021 to present • Corporate Secretary and Director of Kingfisher Metals Corp. from April 2019 to present 	October 6, 2017	7,272	Nil
Kim Evans <i>Director</i> British Columbia, Canada	<ul style="list-style-type: none"> • CFO of BIGG Digital Assets Inc. from November 2017 to present • CFO of Blockchain Technology Group Inc. from 	June 9, 2021	285,000	Audit Committee ⁽³⁾

Name, Position with the Company, and Residence ⁽¹⁾	Principal Occupation for the Past Five Years ⁽¹⁾	Director of the Company since	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽²⁾	Committee Membership
	January 2015 to present <ul style="list-style-type: none"> • Interim CFO of Western Magnesium Corporation from July 2020 to present 			
Ashley Garnot <i>Director</i> British Columbia, Canada	<ul style="list-style-type: none"> • General Manager of TAG Oil Ltd. from August 2015 to present 	November 8, 2011	21,804	Audit Committee

Notes:

- 1) Information as to position with the Company, residence and principal occupation has been furnished by the respective director individually. See also “*Information Regarding Management’s Nominees for Election to the Board*” below.
- 2) Information as to Common Shares beneficially owned or controlled has been furnished by the respective director individually. The directors do not hold shares in any subsidiary of the Company.
- 3) Chairman of the Audit Committee.

Biographical summaries and other required information about each of the nominees for election as directors are set out below in the section below entitled “*Information Regarding Management’s Nominees for Election to the Board.*”

Corporate Cease Trade Orders or Bankruptcies

To the best of management’s knowledge, no proposed director of the Company is, as at the date of this Information Circular, or has been, within the last ten (10) years, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than thirty (30) consecutive days that was issued while the proposed director was acting in that capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than thirty (30) consecutive days that was issued after the proposed director ceased to be a director, chief executive officer, or chief financial officer and which resulted from an event which occurred while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer.

Except as provided herein, to the best of management’s knowledge, no proposed director is, as at the date of this Information Circular, or has been within the last ten (10) years, a director or executive officer of any company (including the Company) that, while the proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the best of management’s knowledge, no proposed director of the Company has, within the last ten (10) years, 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.

To the best of management's knowledge, no proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Information Regarding Management's Nominees for Election to the Board

The following biographical information about management's nominees for election to the Board has been supplied by the respective nominees:

Shone Anstey

Shone Anstey brings 20 years of experience in building complex technologies and software primarily within data analytics, big data, virtual currency, and compliance. He has been engaged with virtual currency since 2012 and has acted as technology lead for an industrial Bitcoin mining and Bitcoin mining pool. Mr. Anstey is a Certified Bitcoin Professional as well as a Certified Cryptocurrency Investigator. Mr. Anstey was also a Director and Founder of Blockchain Intelligence Group (CSE: BIGG) and was responsible for that company's core products (namely QLUETM, BitRank Verified®, and its global network) and for bringing the team together in 2015. These tools are used to mitigate the risk associated with virtual currency and are currently utilized by U.S. Federal law enforcement in Washington D.C., along with virtual currency companies globally. During his time leading Blockchain Intelligence Group, Mr. Anstey oversaw its go-public transaction in late 2017, capital raises of an aggregate \$23.2 million, and the roughly \$3 million strategic acquisition of Netcoins Inc. in August 2019.

Alex Guidi

Alex Guidi is an experienced public company executive, investor, and successful venture capitalist. Mr. Guidi founded and was principal shareholder in a group of highly successful senior board-listed companies, known as the IREMCO Group of Companies. Under his leadership from 1986 to 2012, the IREMCO group became among the fastest growing international exploration, development, and production enterprises globally. Currently, the IREMCO Group is a privately held investment corporation.

Giuseppe (Pino) Perone

Giuseppe (Pino) Perone is a lawyer by background and has extensive corporate experience that stems from practicing as corporate counsel, as well as serving as an executive and director for various public and private companies in the resource and technology sectors. Mr. Perone holds a B.A. from the University of Victoria and an LL.B. from the University of Alberta and has been a member in good standing of the Law Society of British Columbia since 2006.

Kim Evans

Kim Evans is a Certified Public Accountant with extensive experience in the corporate securities industry and the junior mining and technology sectors. Ms. Evans has over 20 years of experience as a director and/or officer of a number of public companies listed on the TSX Venture Exchange ("TSX-V").

Ashley Garnot

Ashley Garnot is a management consultant for public and private companies in the resource and technology sectors, with experience in both the branding and real estate industries. Ms. Garnot has deep expertise managing marketing programs, corporate development, accounting, and financial matters. Ms. Garnot holds a Canadian Securities Course Certificate from the Canadian Securities Institute and a Property Management and Real Estate Trading Services diploma from the Sauder School of Business (Real Estate Division).

The Board does not contemplate that any of its nominees will be unable to serve as a director, but if for any reason that should occur, the persons named in the Proxy shall have the right to use their discretion to vote for a properly qualified substitute.

It is expected that the nominees set forth in this Information Circular will, upon their re-election, continue to serve as directors of the Company until the conclusion of the next shareholders' meeting of the Company.

3. Appoint Auditors and Authorize Directors to Fix Remuneration

The management of the Company intends to nominate KRP for appointment as auditor of the Company. Proxies given pursuant to the solicitation by the management of the Company will, on any poll, be voted as directed and, if there is no direction, voted for the appointment of KRP as auditor of the Company to hold office until the close of the next shareholders' meeting of the Company, at a remuneration to be fixed by the directors.

4. Approval of Stock Option Plan

LQWD currently has in place the Stock Option Plan, which is intended to afford persons who provide services to the Company an opportunity to obtain a proprietary interest in the Company by permitting them to purchase Common Shares and to aid in attracting as well as retaining and encouraging the continued involvement of such persons with the Company. The Stock Option Plan permits the granting of Options to directors, senior officers, Employees (as defined by the TSX-V), Management Company Employees (as defined by the TSX-V) and Consultants (as defined by the TSX-V) (collectively the "**Optionees**") of the Company and its subsidiaries. The text of the Stock Option Plan is attached as Appendix "C" to this Information Circular.

The Stock Option Plan was last approved by the Company's shareholders on August 24, 2022. The maximum number of Common Shares issuable on exercise of Options outstanding at any time is limited, in the aggregate, to 10% of the issued and outstanding Common Shares. As at the date of this Information Circular, the Company has 11,603,026 Common Shares issued and outstanding. This means that up to 1,160,303 Options in the aggregate may be granted under the Stock Option Plan as at the date hereof. There are 597,000 options currently outstanding and therefore the number available for grant is 563,303.

The number of Common Shares issuable pursuant to Options granted under the Stock Option Plan:

- (a) to any one Optionee, and within a one (1) year period, shall not exceed 5% of the issued and outstanding Common Shares on the grant date on a non-diluted basis;
- (b) to all insiders as a group, and within a one (1) year period, shall not exceed 10% of the issued and outstanding Common Shares on the grant date on a non-diluted basis;
- (c) to any one Consultant, and within a one (1) year period, shall not exceed 2% of the issued and outstanding Common Shares on the grant date on a non-diluted basis; and
- (d) to all Optionees who undertake Investor Relations Activities (as defined by the TSX-V), and within a one (1) year period, shall not exceed 2% of the issued and outstanding Common Shares on the grant date on a non-diluted basis.

The exercise price of any Options granted will be determined by the Board at the time of grant, provided that the exercise price shall not be less than the discounted market price of the Common Shares at the time of grant, which means that:

- (a) if the Common Shares are listed on the TSX-V, the market price shall be the closing price of the Common Shares on the TSX-V for the last market trading day prior to the date of the grant of the Options less any discount permitted by the TSX-V;

- (b) if the Common Shares are listed on an exchange other than the TSX-V, the market price shall be the closing price of the Common Shares as quoted on such exchange for the last market trading day prior to the date on which the Company announces the grant of the Options, or if the Company does not announce the grant of the Options, the last market trading day prior to the date of the grant of the Options; and
- (c) if the Common Shares are not listed on an exchange, the market price shall be the price per Common Share on the over-the-counter market determined by dividing the aggregate sale price of the Common Shares sold by the total number of such Common Shares so sold on the applicable market for the last day prior to the date of the grant of the Options.

The maximum term of Options granted shall not be more than five (5) years from the date of the grant of the Options.

The expiry date for Options shall be set by the Board at the time of the issue of the Options and shall not be more than five (5) years from the date of the grant of the Options. Options that are cancelled, terminated or expire prior to exercise of all or a portion thereof shall result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Stock Option Plan. If an Optionee ceases to be eligible to be an Optionee under the Stock Option Plan, their Options shall be exercisable as follows:

- (a) in the event of an Optionee's death or disability that the Board considers likely to prevent the Optionee from performing their employment or services, the Optionee's vested Options shall be exercisable at any time up to but not after the earlier of:
 - (i) 365 days after the date of death or disability; and
 - (ii) the expiry date of the Options;
- (b) in the event of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same; and
- (c) in the event of an Optionee's early retirement, voluntary resignation or termination other than for cause, the Optionee's vested Options shall be exercisable at any time up to ninety (90) days (thirty (30) days if the Optionee was engaged in Investor Relations Activities (as defined by the TSX-V)), from the date of such cessation.

Pursuant to the policies of the TSX-V, rolling share option plans must receive shareholder approval yearly at the annual general meeting. Accordingly, the shareholders will be asked at the Meeting to pass an ordinary resolution in the following terms:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The Stock Option Plan (the "**Plan**"), as described in the Management Information Circular of LQWD Technologies Corp. (the "**Company**") dated September 26, 2023, be ratified, confirmed, and approved and the board of directors of the Company be granted the discretion pursuant to the Plan to grant stock options to directors, officers, employees, and consultants of the Company, as the board of directors of the Company sees fit. Such grants shall be made under the terms of the Plan and within the rules and policies of the TSX Venture Exchange which are in effect at the time of granting and the exercise of any options granted pursuant to such authorization is hereby approved.
2. Any one director or officer of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such documents and instruments and take all such other actions as such director or officer may determine necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents and instruments or the taking of such actions."

An ordinary resolution requires the approval of a simple majority (50% plus one vote) of the votes cast by those shareholders who, being entitled to, vote in person or by proxy at a Meeting.

The Board unanimously recommends that shareholders vote FOR the resolution approving the Stock Option Plan. Unless otherwise directed, it is the intention of the persons designated in the accompanying form of proxy to vote in favour of the ordinary resolution to approve the Stock Option Plan.

OTHER MATTERS

The Board is not aware of any other matters which they anticipate will come before the Meeting as of the date of mailing of this Information Circular. If any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Proxy, subject to instructions on the face of the Proxy to the contrary.

ADDITIONAL INFORMATION

Financial information is provided in the Company's comparative annual financial statements and management discussion and analysis for its most recently completed financial year. Additional information relating to the Company is also available on SEDAR+ at www.sedarplus.ca and may be downloaded free of charge.

The Company will provide to any shareholder, free of charge, upon request to the Company, telephone no. (604) 682-6496 or fax no. (604) 682-1174, a copy of any year end and interim financial statements of the Company and management's discussion and analysis filed with the applicable securities regulatory authorities during the past three years.

BOARD APPROVAL

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

DATED at Vancouver, British Columbia September 26, 2023.

"Shone Anstey"

Shone Anstey
Chief Executive Officer

APPENDIX "A"

AUDIT COMMITTEE CHARTER

1. Mandate

The audit committee will assist the board of directors (the "Board") in fulfilling its financial oversight responsibilities with respect to the governance of LQWD Technologies Corp. (the "Company"). The audit committee will review and consider, in consultation with the auditors, the financial reporting process, the system of internal controls regarding finance and accounting and the Company's accounting and auditing processes. Consistent with this function, the committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well and the company's business, operations and risks.

2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors. Unless a Chair is elected by the full Board, the members of the audit committee may designate a Chair by a majority vote of the full audit committee membership.

2.1 Independence

All of the members of the audit committee must meet the independence requirements set forth in the Securities Act (British Columbia) and related policies and instruments (the "Act").

2.2 Expertise of Committee Members

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise. The Board shall use its business judgment to interpret the financial literacy and financial management expertise requirements of the Act and shall conclude whether a director meets these qualifications.

3. Meetings

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Company's Chief Financial Officer and external auditors in separate executive sessions.

4. Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report or performing other audit, review or attest services for the Company (including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures). In carrying out this duty, the audit committee shall:

- (a) recommend to the Board the external auditor to be nominated to the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;
- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors; and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

4.2 Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

- (f) review and approve the interim financial statements prior to their release to the public; and
- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

- (h) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

Adequacy of Procedures

- (i) periodically, and at least annually, assess the adequacy of the foregoing procedures in order to satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements.

4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

Delegation of Authority

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

- (b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:
 - (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
 - (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

- (c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:
 - (i) the pre-approval policies and procedures are detailed as to the particular service;

- (ii) the audit committee is informed of each non-audit service; and
- (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 *Other Responsibilities*

The audit committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters;
- (b) establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;
- (c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company and coordinate such review and approval with the Compensation and Nomination Committees, as deemed appropriate;
- (f) perform other oversight functions as requested by the Board; and
- (g) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 *Reporting Responsibilities*

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.

6. Guidance - Roles & Responsibilities

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfillment of their roles and responsibilities on the committee:

6.1 *Internal Control*

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

6.2 *Financial Reporting*

General

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and
- (c) understand industry best practices and the Company's adoption of them.

Annual Financial Statements

- (d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;
- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (g) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (h) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and
- (k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:

- (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
- (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in the company's operations and financing practices;
- (iii) generally accepted accounting principles have been consistently applied;
- (iv) there are any actual or proposed changes in accounting or financial reporting practices;
- (v) there are any significant or unusual events or transactions;
- (vi) the Company's financial and operating controls are functioning effectively;
- (vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
- (viii) the interim financial statements contain adequate and appropriate disclosures.

6.3 *Compliance with Laws and Regulations*

- (a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- (c) review the findings of any examinations by securities regulatory authorities and
- (d) stock exchanges.

6.4 *Other Responsibilities*

- (a) review, with the company's counsel, any legal matters that could have a significant impact on the company's financial statements.

APPENDIX "B"

STOCK OPTION PLAN

1. PURPOSE OF THE PLAN

The Company hereby establishes a stock option plan for Directors, senior officers Employees, Management Company Employees and Consultants (as such terms are defined below) of the Company and its subsidiaries (collectively "Eligible Persons"), to be known as the "Coronado Resources Ltd. Stock Option Plan" (the "Plan"). The purpose of the Plan is to give to Eligible Persons, as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals options, exercisable over periods of up to five years as determined by the Board of Directors of the Company, to buy shares of the Company at a price not less than the Market Price prevailing on the date the option is granted less applicable discount, if any, permitted by the policies of the Exchanges and approved by the Board.

2. DEFINITIONS

In this Plan, the following terms shall have the following meanings:

- 2.1 **"Associate"** means an "Associate" as defined in the Exchange Policies.
- 2.2 **"Board"** means the Board of Directors of the Company.
- 2.3 **"Change of Control"** means the acquisition by any person or by any person and all Joint Actors, whether directly or indirectly, of voting securities (as defined in the Securities Act) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.
- 2.4 **"Company"** means LQwD FinTech Corp. and its successors.
- 2.5 **"Consultant"** means a "Consultant" as defined in the TSX Policies.
- 2.6 **"Consultant Company"** means a "Consultant Company" as defined in the TSX Policies.
- 2.7 **"Disability"** means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
- (a) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
 - (b) acting as a Director or officer of the Company or its subsidiaries.
- 2.8 **"Discounted Market Price"** of Shares means, if the Shares are listed only on the TSX Venture Exchange, the Market Price less the maximum discount permitted under the TSX Policy applicable to Options;
- 2.9 **"Distribution"** means a "Distribution" as defined in the TSX Policies.
- 2.10 **"Eligible Persons"** has the meaning given to that term in paragraph 1 hereof.

- 2.11 **"Employee"** means an "Employee" as defined in the TSX Policies.
- 2.12 **"Exchanges"** means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed.
- 2.13 **"Expiry Date"** means the date set by the Board under section 3.1 of the Plan, as the last date on which an Option may be exercised.
- 2.14 **"Grant Date"** means the date specified in an Option Agreement as the date on which an Option is granted.
- 2.15 **"Insider"** means an "Insider" as defined in the TSX Policies, other than a person who is an insider solely by virtue of being a Director or senior officer of a subsidiary of the Company.
- 2.16 **"Investor Relations Activities"** means "Investor Relations Activities" as defined in the TSX Policies.
- 2.17 **"Joint Actor"** means a person acting "jointly or in concert with" another person as that phrase is interpreted in section 96 of the Securities Act.
- 2.18 **"Management Company Employee"** means a "Management Company Employee" as defined in the TSX Policies.
- 2.19 **"Market Price"** of Shares at any Grant Date means the last closing price per Share on the trading day immediately preceding the day on which the Company announces the grant of the option or, if the grant is not announced, on the Grant Date, or if the Shares are not listed on any stock exchange, "Market Price" of Shares means the price per Share on the over-the-counter market determined by dividing the aggregate sale price of the Shares sold by the total number of such Shares so sold on the applicable market for the last day prior to the Grant Date.
- 2.20 **"Option"** means an option to purchase Shares granted pursuant to this Plan.
- 2.21 **"Option Agreement"** means an agreement, in the form attached hereto as Schedule "A", whereby the Company grants to an Optionee an Option.
- 2.22 **"Optionee"** means each of the Eligible Persons granted an Option pursuant to this Plan and their heirs, executors and administrators.
- 2.23 **"Option Price"** means the price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of section 5.
- 2.24 **"Option Shares"** means the aggregate number of Shares which an Optionee may purchase under an Option.
- 2.25 **"Plan"** means this LQwD FinTech Corp. Stock Option Plan.
- 2.26 **"Shares"** means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5, "Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.
- 2.27 **"Securities Act"** means the Securities Act, R.S.B.C. 1996, c.418, as amended, as at the date hereof.
- 2.28 **"TSX Policies"** means the policies included in the TSX Venture Exchange Corporate Finance

Manual and "TSX Policy" means any one of them.

2.29 "Unissued Option Shares" means the number of Shares, at a particular time, which have been reserved for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.

2.30 "Vested" means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

3. GRANT OF OPTIONS

3.1 Option Terms

The Board may from time to time authorize the issue of Options to Eligible Persons. The Option Price under each Option shall be not less than the Discounted Market Price on the Grant Date. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than five years after the Grant Date. Options shall not be assignable (or transferable) by the Optionee.

3.2 Limits on Shares Issuable on Exercise of Options

The number of Shares reserved for issuance under the Plan and all of the Company's other previously established or proposed share compensation arrangements:

- (a) in aggregate shall not exceed 10% of the total number of issued and outstanding Shares on a non-diluted basis; and
- (b) to any one Optionee within a 12 month period shall not exceed 5% of the total number of issued and outstanding shares on a non-diluted basis.

The number of Shares which may be issuable under the Plan and all of the Company's other previously established or proposed share compensation arrangements, within a one-year period:

- (a) to any one Optionee, shall not exceed 5% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis;
- (b) to Insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis;
- (c) to any one Consultant shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis; and
- (d) all Eligible Persons who undertake Investor Relations Activities shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis.

3.3 Option Agreements

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. For stock options to Employees, Consultants, Consultant Companies or Management Company Employees, the Company is representing herein and in the applicable Stock Option Agreement that the Optionee is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as

the case may be, of the Company or its subsidiary. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

4. EXERCISE OF OPTION

4.1 When Options May be Exercised

Subject to sections 4.3 and 4.4, an Option may be exercised to purchase any number of Shares up to the number of Vested Unissued Option Shares at any time after the Grant Date up to 4:00 p.m. local time on the Expiry Date and shall not be exercisable thereafter.

4.2 Manner of Exercise

The Option shall be exercisable by delivering to the Company a notice specifying the number of Shares in respect of which the Option is exercised together with payment in full of the Option Price for each such Share. Upon notice and payment there will be a binding contract for the issue of the Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Delivery of the Optionee's cheque payable to the Company in the amount of the Option Price shall constitute payment of the Option Price unless the cheque is not honoured upon presentation in which case the Option shall not have been validly exercised.

4.3 Vesting of Option Shares

The Directors, subject to the policies of the Exchanges, may determine and impose terms upon which each Option shall become Vested in respect of Option Shares. Unless otherwise specified by the Board at time of granting an Option, and subject to the other limits on Option grants set out in Section 3.2 hereof, all Options granted under the Plan shall vest and become exercisable in full upon grant, except Options granted to Consultants performing investor relations activities, which Options must vest in stages over twelve months with no more than one-quarter of the Options vesting in any three month period.

4.4 Termination of Employment

If an Optionee ceases to be an Eligible Person, his or her Option shall be exercisable as follows:

(a) Death or Disability

If the Optionee ceases to be an Eligible Person, due to his or her death or Disability or, in the case of an Optionee that is a company, the death or Disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:

- (i) 365 days after the date of death or Disability; and
- (ii) the Expiry Date;

(b) Termination For Cause

If the Optionee, or in the case of a Management Company Employee or a Consultant

Company, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management Company Employee or a Consultant Company, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.

(c) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person.

For greater certainty, an Option that had not become Vested in respect of certain Unissued Option Shares at the time that the relevant event referred to in this paragraph 4.4 occurred, shall not be or become vested or exercisable in respect of such Unissued Option Shares and shall be cancelled.

4.5 Effect of a Take-Over Bid

If a *bona fide* offer (an "Offer") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon all Option Shares subject to such Option will become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become Vested pursuant to paragraph 4.3 shall be reinstated. If any Option Shares are returned to the Company under this paragraph 4.5, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

4.6 Acceleration of Expiry Date

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Directors may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer. The

Directors shall give each Optionee as much notice as possible of the acceleration of the Options under this section, except that not less than 5 business days notice is required and more than 30 days notice is not required.

4.7 Effect of a Change of Control

If a Change of Control occurs, all Option Shares subject to each outstanding Option will become Vested, whereupon such Option may be exercised in whole or in part by the Optionee, subject to the approval of the Exchanges, if necessary.

4.8 Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement

If the Optionee, or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not Vested at that time or which, if Vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

4.9 Shares Not Acquired

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired may be made the subject of a further Option pursuant to the provisions of the Plan.

5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES

5.1 Share Reorganization

Whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a "Share Reorganization") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of;
 - (i) the Option Price in effect immediately before that effective date or record date; and
 - (ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subsection (a)(ii).

5.2 Special Distribution

Subject to the prior approval of the Exchanges, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares;

- (a) shares of the Company, other than the Shares;
- (b) evidences of indebtedness;
- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board of Directors of the Company has determined to be outside the normal course); or
- (d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "Special Distribution"), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

5.3 Corporate Organization

Whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in sections 5.1 or 5.2;
- (b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities; or
- (c) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation;

(any such event being herein called a "Corporate Reorganization") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Directors.

5.4 Determination of Option Price and Number of Unissued Option Shares

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the Directors may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

5.5 Regulatory Approval

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of paragraphs 5.1, 5.2 or 5.3 is subject to the approval of the Exchanges and any other governmental authority having jurisdiction.

6. MISCELLANEOUS

6.1 Right to Employment

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

6.2 Necessary Approvals

The Plan shall be effective only upon the approval of the shareholders of the Company given by way of an ordinary resolution. Any Options granted under this Plan prior to such approval shall only be exercised upon the receipt of such approval. Disinterested shareholder approval (as required by the Exchanges) will be obtained for any reduction in the exercise price of any Option granted under this Plan if the Optionee is an Insider of the Company at the time of the proposed amendment. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchanges and any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

6.3 Administration of the Plan

The Directors shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in section 5.4, the interpretation and construction of any provision of the Plan by the Directors shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

6.4 Withholding Taxes

The Company or any subsidiary of the Company may take such steps as are considered necessary or appropriate for the withholding and/or remittance of any taxes which the Company or any subsidiary of the Company is required by any law or regulation of any governmental authority whatsoever to withhold and/or remit in connection with any Option or Option exercise including, without limiting the generality of the foregoing, the withholding and/or remitting of all or any portion of any payment or the withholding of the issue of Shares to be issued upon the exercise of any Option until such time as the Optionee has paid to the Company or any subsidiary of the Company (in addition to the exercise price payable for the exercise of Options) the amount which the Company or subsidiary of the Company reasonably determines is required to be withheld and/or remitted with respect to such taxes.

6.5 Amendments to the Plan

The Directors may from time to time, subject to applicable law and to the prior approval, if required, of the Exchanges or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee. Any amendments to the Plan or options granted thereunder will be subject to the approval of the shareholders.

6.6 Form of Notice

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

6.7 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

6.8 Compliance with Applicable Law

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

6.9 No Assignment

No Optionee may assign any of his or her rights under the Plan or any option granted thereunder.

6.10 Rights of Optionees

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

6.11 Conflict

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

6.12 Governing Law

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the province of British Columbia.

6.13 Time of Essence

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

6.14 Entire Agreement

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.