

ATLAS ENGINEERED PRODUCTS LTD.
2005 Boxwood Road Nanaimo, BC V9S 5X9

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general meeting of the shareholders of Atlas Engineered Products Ltd. (the “Company”) will be held via live video conference on Friday, November 22, 2024 at 10:00 a.m. (PST) for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended December 31, 2023 together with the auditor’s report thereon;
2. to fix the number of directors at five (5);
3. to elect directors for the ensuing year;
4. to appoint PricewaterhouseCoopers as the auditors of the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors;
5. to consider, and if thought fit, to pass, an ordinary resolution ratifying and approving the Company’s 10% rolling stock option plan as more particularly described in the accompanying Information Circular; and
6. to transact such other business as may be properly brought before the Meeting or any adjournment thereof.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy. The Board of Directors (the “**Board**”) requests that all shareholders who will not be attending the Meeting in person read, date and sign the accompanying proxy and deliver it to Computershare Investor Services Inc. (“**Computershare**”), Attention: Proxy Department, 510 Burrard Street, 2nd Floor, Vancouver, BC V6C 3B9, by 10:00 a.m. (Vancouver, British Columbia time) on **November 20, 2024** (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used) then the shareholder will not be entitled to vote at the Meeting by proxy. Only shareholders of record at the close of business on **October 16, 2024** will be entitled to vote at the Meeting.

The Company is conducting the Meeting via Zoom live video conference only. Persons wishing to attend the Meeting will be required to pre-register for the Meeting at the link set forth below. Once you have pre-registered for the Meeting, you will receive an email providing access details for the Meeting. Pre-registration is being required to ensure that only eligible shareholders and proxyholders are permitted to vote, and to ensure the proper counting of those votes.

Pre-registration link: https://us02web.zoom.us/meeting/register/tZYpcO2srzopHt2WV6MTkC_6HLNJSm_4VbEt

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

An information circular and a form of proxy accompany this notice.

DATED at Vancouver, British Columbia, the 21st day of October, 2024.

ON BEHALF OF THE BOARD

/s/ Mohammad Hadi Abassi

Mohammad Hadi Abassi
Chief Executive Officer and President, Founder

ATLAS ENGINEERED PRODUCTS LTD.
2005 Boxwood Road Nanaimo, BC V9S 5X9

INFORMATION CIRCULAR
(as at October 21, 2024 except as otherwise indicated)

Atlas Engineered Products Ltd. (the “**Company**”) is providing this Information Circular and a form of proxy in connection with management’s solicitation of proxies for use at the annual general meeting (the “**Meeting**”) of the Company to be held on Friday, November 22, 2024 and at any adjournments. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation. All amounts referred to as \$ or dollars means Canadian currency, unless otherwise indicated.

Attending the Meeting via Video Conference

The Meeting will be held via video conference only. **Persons wishing to attend the Meeting will be required to pre-register for the Meeting at the link set forth below. Once you have pre-registered for the Meeting, you will receive a separate email providing access details for the Meeting.** Pre-registration is being required to ensure that only eligible shareholders and proxyholders are permitted to vote, and to ensure the proper counting of those votes. After registering, approved attendees will receive a confirmation email containing information about joining the Meeting. In order to ensure your ability to attend the Meeting, please pre-register for the Meeting as early as possible.

Pre-registration link: https://us02web.zoom.us/meeting/register/tZYpcO2srzopHt2WV6MTkC_6HLNJSm_4VbEt

Shareholders will have an equal opportunity to participate at the Meeting online regardless of geographic location. Registered shareholders and proxyholders will be able to attend the virtual meeting and vote, and will be considered to be present in person at the Meeting for the purposes of determining quorum. Non-registered shareholders who have not duly appointed themselves as proxyholder will be able to attend the virtual Meeting as a guest, but will not be able to vote at the Meeting. This is because the Company and its transfer agent, do not have a record of the non-registered shareholders, and, as a result, will have no knowledge of their shareholdings or entitlement to vote unless they appoint themselves as proxyholder.

The Meeting will be held via the Zoom meeting platform. In order to access the Meeting, shareholders will have two options, being via teleconference or through the Zoom application, which requires internet connectivity. **Registered shareholders wishing to vote in person and any shareholders wishing to view materials that may be presented by Management will need to utilize the Zoom application and provide their first and last name.**

Shareholders may also listen to the Meeting via teleconference. However, Registered shareholders participating via teleconference will not be able to vote in person at the Meeting as the Corporation’s scrutineer must take steps to verify the identity of registered shareholders using the video features.

Access to the Meeting will be opened approximately 30 minutes prior to the start of the Meeting. It is strongly recommended that persons attending the meeting access the Meeting 30 minutes before the Meeting starts to facilitate registration by the Company’s scrutineer.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder’s behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or directors of the Company (the “**Management Proxyholders**”).

A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person’s name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.

VOTING BY PROXY

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Dept., 510 Burrard Street, 2nd Floor, Vancouver, BC V6C 3B9, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chair of the Meeting elects to exercise his discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee (a "Nominee") such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited and in the United States, under the name Cede & Co., as nominee for the Depository Trust Company (which acts as a brokerage depository for many U.S. firms and custodial banks). If you purchased your shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as "non-objecting beneficial owners" ("NOBOs"). Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to the Company are referred to as "objecting beneficial owners" ("OBOs").

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") of the Canadian Securities Administrators, the Company has elected to send the Meeting materials directly to NOBOs.

If the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions.

The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting materials unless their Nominee assumes the costs of delivery.

The Company is not sending the Meeting materials to shareholders using "notice-and-access", as defined under NI 54-101.

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a shareholder, his attorney authorized in writing or, if the shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chair of the Meeting on the day of the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares without par value (the "shares"), of which 70,535,947 shares were issued and outstanding as of the Record Date, and an unlimited number of Class B Preferred Shares, of which no shares are issued and outstanding. Persons who are registered shareholders at the close of business on October 16, 2024 (the "**Record Date**") will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held.

To the knowledge of the directors and executive officers of the Company, as of the Record Date, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company.

EXECUTIVE COMPENSATION

Named Executive Officers

"**Named Executive Officer**" or "**NEO**" means: (a) the Company's CEO, (b) the Company's CFO, (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended December 31, 2023, the Company had the following NEOs: Mohammad Hadi Abassi, Chief Executive Officer ("**CEO & President**"), Melissa MacRae, Chief Financial Officer ("**CFO**"), and Gurmit Dhaliwal, Chief Operating Officer ("**COO**"). The Company did not have any other executive officers during the year ended December 31, 2023.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Discussion and Analysis

Significant Elements

The significant elements of compensation awarded to the NEOs are management fees and stock options. The Company does not presently have a long-term incentive plan for its NEOs. There is no policy or target regarding allocation

between cash and non-cash elements of the Company's compensation program. The Board of Directors is solely responsible for determining compensation to be paid to the Company's NEOs. In addition, the Board of Directors reviews annually the total compensation package of each of the Company's executives on an individual basis.

In setting compensation rates for NEOs, the Company compares the amounts paid to them with the amounts paid to executives in comparable positions at other comparable corporations. The Company's compensation payable to the NEOs is based upon, among other things, the responsibility, skills and experience required to carry out the functions of each position held by each Named Executive Officer and varies with the amount of time spent by each Named Executive Officer in carrying out his or her functions on behalf of the Company.

In addition, NEOs are eligible under the Company's stock option plan (the "**Stock Option Plan**") to receive grants of stock options. The Stock Option Plan is an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of its shares over a stated period of time. The Stock Option Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. The size of stock option grants to NEOs is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long-term contribution to the Company will be key to its long-term success.

The Board has not proceeded to a formal evaluation of the implications of the risks associated with the Company's compensation policies and practices. Risk management is a consideration of the Board when implementing its compensation program, and the Board does not believe that the Company's compensation program results in unnecessary or inappropriate risk-taking including risks that are likely to have a material adverse effect on the Company.

The Company's NEOs and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Share-Based and Option-Based Awards

The Company does not grant share-based awards. The Board is responsible for granting options to the NEOs. Stock option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Company, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs. When new options are granted, the Board takes into account the previous grants of options, the number of stock options currently held, position, overall individual performance, anticipated contribution to the Company's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the shareholders. The exercise price of the stock options granted is generally determined by the market price at the time of grant, less any allowable discount.

SUMMARY COMPENSATION TABLE

Set out below is a summary of compensation paid or accrued during the Company's three most recently completed financial years to the Company's NEOs.

Summary Compensation Table

Name and principal position	Year	Salary (\$)	Share-based awards (\$) ⁽¹⁾	Option-based awards (\$) ⁽²⁾⁽³⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans (\$) ⁽⁴⁾	Long-term incentive plans			
Mohammad Hadi Abassi ⁽⁵⁾ CEO & President	Dec 31, 2023	374,500	N/A	44,499	210,000	N/A	N/A	43,610	672,609
	Dec 31, 2022	350,000	N/A	60,545	172,800	N/A	N/A	39,830	623,175
	Dec 31, 2021	288,000	N/A	7,952	N/A	N/A	N/A	41,600	337,552
Melissa MacRae ⁽⁶⁾ CFO	Dec 31, 2023	176,550	N/A	39,897	99,000	N/A	N/A	11,520	326,967
	Dec 31, 2022	165,000	N/A	32,927	74,400	N/A	N/A	9,600	281,927
	Dec 31, 2021	124,000	N/A	7,952	20,080	N/A	N/A	22,775	174,807
Gurmit Dhaliwal ⁽⁷⁾ COO	Dec 31, 2023	192,600	N/A	41,431	108,000	N/A	N/A	11,520	353,551
	Dec 31, 2022	180,000	N/A	42,133	84,000	N/A	N/A	9,600	315,733
	Dec 31, 2021	140,000	N/A	7,952	20,080	N/A	N/A	34,706	184,738

Notes:

- (1) Share Based Awards means an award under an equity incentive plan of equity based instruments that do not have option like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.
- (2) Option Based Awards mean an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option like features.
- (3) The Company uses the Black-Scholes option pricing model for determining fair value of stock options issued at grant date. The Black-Scholes option valuation is determined using the expected life of the stock option, expected volatility of the Share price, expected dividend yield, and risk-free interest rate. The key assumptions are as follows: risk free rate of 0.39-3.25%, expected life of five years, expected volatility of 66-165% and expected dividend of Nil.
- (4) Annual incentive plans are awarded based on meeting or exceeding internal targets related to revenues, gross margin percentages, earnings before interest taxes and depreciation (“EBITDA”) percentages, and being in good standing with the Company. The annual incentive plan is reviewed and approved annually by the Board of Directors.
- (5) Mr. Abassi was appointed as CEO and President, on January 31, 2021. Prior to this Mr. Abassi was CEO of the Company from November 9, 2017 to November 4, 2018 and the EVP from November 5, 2018 to January 30, 2021. The Company entered into an updated employment agreement with Mr. Abassi on January 31, 2023 for a salary of \$375,000 per year and a car allowance of \$1,200 monthly (\$14,400 annually).
- (6) Ms. Melissa MacRae was appointed as CFO of the Company on January 1, 2022. Prior to this Ms. MacRae was the Interim CFO of the Company from May 16, 2019 to December 31, 2021. As of January 1, 2023, Ms. MacRae received a compensation increase to a salary of \$176,550 per year and a car allowance of \$960 per month (\$11,520 annually).
- (7) Ms. Gurmit Dhaliwal was appointed as COO of the Company on January 1, 2022. Prior to this Ms. Dhaliwal was the VP OPS of the Company from June 1, 2019 and December 31, 2021. As of January 1, 2022, Ms. Dhaliwal received a compensation increase to a salary of \$192,600 per year and a car allowance of \$960 per month (\$11,520 annually).

INCENTIVE PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards held by a NEO. The following table sets forth the outstanding option-based awards held by the NEOs of the Company at the end of the Company's most recently completed financial year ended December 31, 2023:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Mohammad Hadi Abassi CEO & President	195,000	0.30	March 4, 2024	163,800	N/A	N/A
	50,000	0.29	April 21, 2025	42,500	N/A	N/A
	150,000	0.60	January 4, 2027	81,000	N/A	N/A
	100,000	0.73	December 20, 2027	41,000	N/A	N/A
Melissa MacRae CFO	50,000	0.29	April 21, 2025	42,500	N/A	N/A
	75,000	0.60	January 4, 2027	40,500	N/A	N/A
	100,000	0.73	December 20, 2027	41,000	N/A	N/A
Gurmit Dhaliwal COO	50,000	0.29	April 21, 2025	42,500	N/A	N/A
	100,000	0.60	January 4, 2027	54,000	N/A	N/A
	100,000	0.73	December 20, 2027	41,000	N/A	N/A

Notes:

- (1) “**In-the-Money Options**” means the excess of the market value of the Company's shares on December 31, 2023 over the exercise price of the options. The market price for the Company's common shares on December 31, 2023 was \$1.14.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each NEO:

Name	Option-based awards - Value vested during the year ⁽¹⁾ (\$)	Share based awards – Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Mohammad Hadi Abassi ⁽²⁾ CEO & President	54,667	N/A	210,000
Melissa MacRae ⁽³⁾ CFO	38,167	N/A	99,000
Gurmit Dhaliwal ⁽⁴⁾ COO	43,667	N/A	108,000

Notes:

- (1) The value of option-based awards is the product of the number of common shares issuable on the exercise of the option on the vesting date multiplied by the difference between the exercise price and the closing market price for the common shares on the vesting date.
- (2) Mohammad Hadi Abassi was granted 500,000 stock options on November 8, 2017 at an exercise price of \$0.49. Mr. Abassi exercised these options on November 29, 2022. Mr. Abassi was granted an additional 195,000 stock options on March 4, 2019 at an exercise price of \$0.30, expiring March 4, 2024. Mr. Abassi was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. Mr. Abassi was granted an additional 150,000 stock options on January 4, 2022 at an exercise price of \$0.60, expiring January 4, 2027. Mr. Abassi was granted an additional 100,000 stock options on December

20, 2022 at an exercise price of \$0.73, expiring December 20, 2027. For the options granted to Mr. Abassi, 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date.

- (3) Melissa MacRae was granted 75,000 stock options on November 8, 2017 at an exercise price of \$0.49. Ms. MacRae exercised these options on December 7, 2022. Ms. MacRae was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. Ms. MacRae was granted an additional 75,000 stock options on January 4, 2022 at an exercise price of \$0.60, expiring January 4, 2027. Ms. MacRae was granted an additional 100,000 stock options on December 20, 2022 at an exercise price of \$0.73, expiring December 20, 2027. For the options granted to Ms. MacRae, 1/3 of the options vest six months after the date of grant; 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date.
- (4) Gurmit Dhaliwal was granted 75,000 stock options on November 8, 2017 at an exercise price of \$0.49. Ms. Dhaliwal exercised these options on December 7, 2022. Ms. Dhaliwal was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. Ms. Dhaliwal was granted an additional 100,000 stock options on January 4, 2022 at an exercise price of \$0.60, expiring January 4, 2027. Ms. Dhaliwal was granted an additional 100,000 stock options on December 20, 2022 at an exercise price of \$0.73, expiring December 20, 2027. For the options granted to Ms. Dhaliwal, 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date.

PENSION BENEFITS

The Company does not have a pension plan that provides for payments or benefits to NEOs at, following, or in connection with retirement.

TERMINATION AND CHANGE OF CONTROL BENEFITS (WHETHER VOLUNTARY, INVOLUNTARY OR CONSTRUCTIVE), RESIGNATION, RETIREMENT A CHANGE IN CONTROL OF THE COMPANY OR A CHANGE IN AN NEOS RESPONSIBILITIES.

Under the terms of the Company's agreement with Mr. Mohammad Hadi Abassi, the Company's CEO & President as at December 31, 2022, Mr. Abassi is entitled to eight weeks severance based on his length of service as determined by Employment Standards Act.

Under the terms of the Company's agreement with Ms. Melissa MacRae, the Company's CFO as at December 31, 2022, Ms. MacRae is entitled to four months severance, plus one additional month of severance for each year served, up to a maximum of six months severance.

Under the terms of the Company's agreement with Ms. Gurmit Dhaliwal, the Company's COO as at December 31, 2022, Ms. Dhaliwal is entitled to four months severance, plus one additional month of severance for each year served, up to a maximum of six months severance.

The Company has no other contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the NEOs responsibilities.

DIRECTOR COMPENSATION

All non-executive directors are paid a monthly stipend, a per meeting fee for acting as a Board committee member, and a per meeting fee for acting as Chair.

Set out below is a summary of compensation paid or accrued during the Company's most recently completed financial year to the Company's directors, other than the NEOs previously disclosed:

Director Compensation Table

<i>Name</i>	<i>Fees earned (\$)</i>	<i>Share based awards (\$)</i>	<i>Option-based awards (\$)⁽¹⁾⁽²⁾</i>	<i>Non-equity incentive plan compensation (\$)</i>	<i>Pension value (\$)</i>	<i>All other compensation (\$)</i>	<i>Total (\$)</i>
Greg Smith	30,000	Nil	42,810	Nil	Nil	Nil	72,810
Kevin Smith	32,000	Nil	42,810	Nil	Nil	Nil	74,810
Don Hubbard	35,500	Nil	42,810	Nil	Nil	Nil	78,310
Paul Andreola	30,000	Nil	42,810	Nil	Nil	Nil	72,810

Notes:

- (1) Option Based Awards mean an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option like features.
- (2) The Company uses the Black-Scholes option pricing model for determining fair value of stock options issued at grant date. The Black-Scholes option valuation is determined using the expected life of the stock option, expected volatility of the Share price, expected dividend yield, and risk-free interest rate. The key assumptions are as follows: risk free rate of 0.39-3.25%, expected life of five years, expected volatility of 66-165% and expected dividend of Nil.

Outstanding Share-Based Awards and Option-Based Awards Held by Directors

The Company does not have any share-based awards held by a director. The following table sets forth details of all awards granted to directors of the Company which are outstanding at the end of the most recently completed financial year ended December 31, 2023.

<i>Name</i>	<i>Option-based Awards</i>			
	<i>Number of securities underlying unexercised options (#)</i>	<i>Option exercise price (\$)</i>	<i>Option Expiration date</i>	<i>Value of unexercised in-the-money options (\$)⁽¹⁾</i>
Greg Smith ⁽²⁾	100,000	0.30	March 4, 2024	84,000
	50,000	0.29	April 21, 2026	42,500
	50,000	0.60	January 4, 2027	27,000
	100,000	0.74	January 4, 2028	40,000
Kevin Smith ⁽³⁾	100,000	0.30	March 4, 2024	84,000
	50,000	0.29	April 21, 2026	42,500
	50,000	0.60	January 4, 2027	27,000
	100,000	0.74	January 4, 2028	40,000
Don Hubbard ⁽⁴⁾	100,000	0.30	March 4, 2024	84,000
	50,000	0.29	April 21, 2026	42,500
	50,000	0.60	January 4, 2027	27,000
	100,000	0.74	January 4, 2028	40,000
Paul Andreola ⁽⁵⁾	100,000	0.49	January 4, 2026	65,000
	50,000	0.29	April 21, 2026	42,500
	50,000	0.60	January 4, 2027	27,000
	100,000	0.74	January 4, 2028	40,000

Notes:

- (1) **“In-the-Money Options”** means the excess of the market value of the Company’s shares on December 31, 2022 over the exercise price of the options. The market price for the Company’s common shares on December 31, 2022 was \$1.14.
- (2) Greg Smith was granted 50,000 stock options on February 5, 2018 at an exercise price of \$0.60, expiring February 5, 2023. Mr. Smith exercised these options prior to their expiration in 2023. Mr. Smith was granted an additional 100,000 stock options on March 4, 2019 at an exercise price of \$0.30, expiring March 4, 2024.

Mr. Smith was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. Mr. Smith was granted an additional 50,000 stock options on January 4, 2022 at an exercise price of \$0.60, expiring January 4, 2027. Mr. Smith was granted an additional 100,000 stock options on January 4, 2023 at an exercise price of \$0.74, expiring January 4, 2028. For the options granted to Mr. Smith, 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date for all options granted.

- (3) Kevin Smith was granted 150,000 stock options on February 5, 2018 at an exercise price of \$0.60, expiring February 5, 2023. Mr. Smith exercised these options prior to their expiration in 2023. Mr. Smith was granted an additional 100,000 stock options on March 4, 2019 at an exercise price of \$0.30, expiring March 4, 2024. Mr. Smith was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. Mr. Smith was granted an additional 50,000 stock options on January 4, 2022 at an exercise price of \$0.60, expiring January 4, 2027. Mr. Smith was granted an additional 100,000 stock options on January 4, 2023 at an exercise price of \$0.74, expiring January 4, 2028. For the options granted to Mr. Smith, 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date for all options granted.
- (4) Don Hubbard was granted 50,000 stock options on February 5, 2018 at an exercise price of \$0.60, expiring February 5, 2023. Mr. Hubbard exercised these options prior to their expiration in 2023. Mr. Hubbard was granted an additional 100,000 stock options on March 4, 2019 at an exercise price of \$0.30, expiring March 4, 2024. Mr. Hubbard was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. Mr. Hubbard was granted an additional 50,000 stock options on January 4, 2022 at an exercise price of \$0.60, expiring January 4, 2027. Mr. Hubbard was granted an additional 100,000 stock options on January 4, 2023 at an exercise price of \$0.74, expiring January 4, 2028. For the options granted to Mr. Hubbard, 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date for all options granted.
- (5) Paul Andreola was granted 100,000 stock options on January 4, 2021 at an exercise price of \$0.49, expiring April 21, 2026. Mr. Andreola was granted an additional 50,000 stock options on April 21, 2021 at an exercise price of \$0.29, expiring April 21, 2026. Mr. Andreola was granted an additional 50,000 stock options on January 4, 2022 at an exercise price of \$0.60, expiring January 4, 2027. Mr. Andreola was granted an additional 100,000 stock options on January 4, 2023 at an exercise price of \$0.74, expiring January 4, 2028. For the options granted to Mr. Andreola, 1/3 of the options vest six months after the date of grant, 1/3 of the options vest 12 months after the date of grant and 1/3 of the options vest 18 months after the grant date for all options granted.

**Value Vested or Earned for Incentive Plan Awards During
the Most Recently Completed Financial Year**

<i>Name</i>	<i>Option-based awards - Value vested during the year (\$)</i>	<i>Share based awards – Value vested during the year (\$)</i>	<i>Non-equity incentive plan compensation - Value earned during the year (\$)</i>
Greg Smith	15,167	N/A	Nil
Kevin Smith	15,167	N/A	Nil
Don Hubbard	15,167	N/A	Nil
Paul Andreola	15,167	N/A	Nil

EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year ended December 31, 2023:

<i>Plan Category</i>	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</i>	<i>Weighted-average exercise price of outstanding options, warrants and rights (b)</i>	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</i>
Equity compensation plans approved by the security holders	2,816,666	\$0.53	3,099,942
Equity compensation plans not approved by the security holders	Nil	Nil	Nil
Total	2,816,666	\$0.53	3,099,942

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

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

No director or executive officer of the Company or any proposed nominee of Management of the Company 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, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors, the appointment of auditors and the confirmation of the Stock Option Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed below, none of the persons who were directors or executive officers of the Company or a subsidiary at any time during the Company's last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company:

- Mohammad Hadi Abassi, the Company's Chief Executive Officer and President and a director, and beneficial owner of more than 10% of the outstanding Common Shares, of the Company, has a 50% ownership in a company that owns the land and buildings leased to the Company for its ABS location in Nanaimo, BC. During the financial year ended December 31, 2023, the Company paid \$41,975 in finance charges and lease obligations relating to the rental of this land and buildings.

MANAGEMENT CONTRACTS

Other than as disclosed elsewhere in this Circular, no management functions of the Company are to any substantial degree performed by a person or company other than the directors or NEOs of the Company.

AUDIT COMMITTEE

The Company is required to have an audit committee (the "Audit Committee") 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.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

Composition of Audit Committee and Independence

The Company's current Audit Committee consists of Don Hubbard, Greg Smith and Kevin Smith. National Instrument 52-110 *Audit Committees*, ("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 Company's Board, reasonably interfere with the exercise of the member's independent judgment. Of the Company's current Audit Committee members, Greg Smith, Don Hubbard and Kevin Smith are considered independent. All of the Audit Committee members are "financially literate, as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

Relevant Education and Experience

Don Hubbard – Mr. Hubbard is an accomplished businessman and community leader. He is currently the President and CEO of Hubbard Consulting Ltd. Mr. Hubbard previously owned and managed RCR Mining LLP and was the former Board Chair of the Vancouver Island Health Authority. Mr. Hubbard is also formerly the General Manager of Lafarge North West Division and Island operations which merged with Warren Materials Ltd. in which Mr. Hubbard held many senior operation positions with Warren Materials.

Greg Smith - Mr. Greg Smith is a seasoned capital markets veteran who held senior positions in investment banking before transitioning to private equity with the acquisition of a large HVAC company in Western Canada. Mr. Smith has built and sold HVAC and mechanical companies and currently serves as President & Director of Broadway Refrigeration & Air Conditioning Co. Ltd. Mr. Smith also held the position of Vice President and Portfolio Manager for Phillips, Hagar & North and previously worked as Executive Director in the Canadian Securitization Group, CIBC World Markets in Toronto for close to ten years. Mr. Smith earned an MBA from Dalhousie University and is a Chartered Financial Analyst and has served in advisory and board positions for multiple private and public ventures.

Kevin Smith – Mr. Kevin Smith is the Chief Financial Officer of Aspen One. Aspen One is the parent company of Aspen Skiing Company, Aspen Hospitality, and Aspen Ventures. Aspen One develops enhanced strategies and services to support growth and accelerate investment across ski, hospitality, residences, retail, experiences, and clubs to expand the Aspen brand and ethos globally. Prior to joining Aspen One, Mr. Smith was the President of Northland Living, the real estate development division for Northland Properties Corporation. Northlands is headquartered in Vancouver with operations across Canada, the UK, Ireland and the USA. Prior to being President of Northland Living, Mr. Smith was Executive Vice-President & CFO of Northland Properties. Prior to joining Northland, Mr. Smith was the Executive Vice-President and CFO for the Intracorp Group of Companies, a real estate development company with headquarters in Vancouver and with operations across North America. Prior to joining Intracorp, Mr. Smith served as the Executive Vice-President & Chief Financial Officer at Whistler Blackcomb Holdings Inc. During his time there he successfully led Whistler Blackcomb through an initial public offering (IPO) on the Toronto Stock Exchange in 2010 to create Whistler Blackcomb as a separate, publicly traded company from Intrawest. As a strategic leader at Whistler Blackcomb Holdings, he was responsible for all financial, legal, information technology, public company reporting, debt financing, commercial operations, investor relations, budgeting, cash management, tax planning & strategic business planning. Prior to Whistler Blackcomb, Mr. Smith spent twelve years at Intrawest, holding several senior finance roles. Mr. Smith is a FCPA, FCA and holds a Bachelor of Science degree from The University of British Columbia. He is also currently serving as a director and audit chair of Diversified Royalty Corp and the Vancouver Airport Authority.

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;
- (b) the exemption in subsection 6.1.1(4) (Circumstances Affecting the Business or Operations of the Venture Issuer);
- (c) the exemption in subsection 6.1.1(5) (Events Outside the Control of Member)
- (d) the exemption in subsection 6.1.1(6) (Death, Incapacity or Resignation); or
- (e) 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 aggregate fees billed by the Company’s external auditor in the last two fiscal years.

<i>Financial Year Ended</i>	<i>Audit Fees (\$) ⁽¹⁾</i>	<i>Audit Related Fees (\$) ⁽²⁾</i>	<i>Tax Fees (\$) ⁽³⁾</i>	<i>All Other Fees (\$) ⁽⁴⁾</i>
December 31, 2023	191,800	15,116	42,907	195,918
December 31, 2022	166,300	12,009	35,412	1,859

Notes:

- (1) “Audit fees” include aggregate fees billed by the Company’s external auditor in each of the last two fiscal years for audit fees.
- (2) “Audit related fees” include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company’s external auditor that are reasonably related to the performance of the audit or review of the Company’s financial statements and are not reported under “Audit fees” above.
- (3) “Tax fees” include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company’s external auditor for tax compliance, tax advice and tax planning.
- (4) “All other fees” include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company’s external auditor, other than “Audit fees”, “Audit related fees” and “Tax fees” above.

Exemption in Section 6.1

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) of NI 52-110.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101, Disclosure of Corporate Governance Practices, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “**Guidelines**”) adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate

governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company's approach to corporate governance is set out below.

Board of Directors

Management is nominating five individuals to the Board, each of whom are current directors of the Company. The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as "independent" directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. "Material relationship" is defined as a relationship which could, in the view of the Company's Board, reasonably interfere with the exercise of a director's independent judgement, including persons who are employees or executive officers of the Company or who have been employees or executive officers of the Company within the last three years. All of the current members of the Board are considered "independent" within the meaning of NI 52-110, except for Mohammad Hadi Abassi, who is the CEO and President of the Company.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO. The Board will give direction and guidance through the CEO to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the shareholders for election as directors, and immediately following each annual general meeting appoints an Audit Committee and the Audit Committee chairperson. The Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO, CFO and President of the Company and establishes the duties and responsibilities of those positions and on the recommendation of the CEO and the President, appoints the senior officers of the Company and approves the senior management structure of the Company.

The Board exercises its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. The Board shall meet not less than three times during each year and will endeavour to hold at least one meeting in each fiscal quarter. The Board will also meet at any other time at the call of the President, or subject to the Articles of the Company, of any director.

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia) (the "Act"), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly and through its audit committee.

Orientation and Continuing Education

The Board's practice is to recruit for the Board only persons with extensive experience in identifying and targeting junior businesses for transactions and in public company matters. Prospective new board members are provided a reasonably detailed level of background information, verbal and documentary, on the Company's affairs and plans prior to obtaining their consent to act as a director.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract

or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

In addition, the Board has adopted a Code of Business Conduct and Ethics (the “**Code of Conduct**”) applicable to all directors, officers and employees of the Company. The Code of Conduct sets forth guiding principles and specific expectations with respect to ethical conduct, potential conflicts of interest, confidentiality, fair dealing, compliance with laws, workplace conduct and human rights.

Nomination of Directors

The Board identifies new candidates for board nomination by an informal process of discussion and consensus-building on the need for additional directors, the specific attributes being sought, likely prospects, and timing. Prospective directors are not approached until consensus is reached. This process takes place among the Chair of the Board and a majority of the non-executive directors.

Assessments

The Board annually reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by other Board members, bearing to mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

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

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company’s corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Financial Statements, Auditor’s report and Management Discussion & Analysis

The audited financial statements of the Company for the fiscal year ended December 31, 2022 as proposed by the Company, the audit report of PWC relating thereto and the Company’s management discussion and analysis relating thereto will be placed before the Meeting.

No further action or approval is required at the Meeting in respect of these documents.

2. Set Number of Directors to be Elected

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at five (5). The number of directors will be approved if the affirmative vote of the majority of common shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at five (5).

The Board unanimously recommends that shareholders vote “for” the setting the number of directors of the Company at five (5).

3. Election of Directors

The directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Management of the Company proposes to nominate each of the following persons for election as a director. Information concerning such persons, as furnished by the individual nominees, is as follows.

<i>Name, Jurisdiction of Residence and Position</i>	<i>Principal occupation, business or employment and, if not a previously elected Director, occupation, business or employment during the past 5 years</i>	<i>Previous Service as a Director</i>	<i>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly</i>
Mohammad Hadi Abassi British Columbia, Canada Director	Current CEO and President of the Company, Former EVP Business Development	November 9, 2017	6,263,409
Don Hubbard ⁽²⁾ British Columbia, Canada Director	President and CEO of Hubbard Consulting Ltd.	November 9, 2017	531,300
Greg Smith ⁽²⁾ British Columbia, Canada Director	President & Owner of Broadway Refrigeration and Air Conditioning Co. Ltd.	November 9, 2017	592,400
Kevin Smith ⁽²⁾ British Columbia, Canada Director	Chief Financial Officer at Aspen One	November 15, 2017	253,800
Paul Andreola British Columbia, Canada Director	CEO of NameSilo Technologies Corp.	December 23, 2020	1,721,079

Notes:

(1) The information as to common shares beneficially owned or controlled has been provided by the nominees themselves.

(2) Current member of the audit committee.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

To the knowledge of the Company, no proposed director:

(a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company (including the Company) that:

- (i) was the subject, while the director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
- (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the director was acting in the capacity as director, CEO or CFO of such company; or

- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a director.

The following nominee directors of the Company hold directorships in other reporting issuers as set out below:

<i>Name of Director</i>	<i>Name of Other Reporting Issuer</i>
Kevin Smith	Diversified Royalty Corp. ⁽⁴⁾ Vancouver Airport Authority
Paul Andreola	NameSilo Technologies Corp. ⁽²⁾ Departure Bay Capital Corp. ⁽¹⁾ Total Telecom Inc. ⁽¹⁾

Notes:

- (1) Listed on the TSX Venture Exchange
- (2) Listed on the Canadian Securities Exchange
- (3) Listed on NASDAQ
- (4) Listed on the Toronto Stock Exchange

The Board unanimously recommends that shareholders vote “for” the election of each of the above nominees as directors of the Company.

4. Appointment and Remuneration of Auditor

The Company is nominating PricewaterhouseCoopers (“PwC”) of 250 Howe Street, Suite 1400, Vancouver, British Columbia for re-appointment as auditor of the Company to hold office until the next annual meeting of shareholders and to authorize the Board to fix the remuneration to be paid thereto.

The Board unanimously recommends shareholders to vote “for” the appointment of PricewaterhouseCoopers as the Company’s auditors until the next annual general meeting at a remuneration to be fixed by the Company’s board of directors.

5. Ratification of 10% Rolling Stock Option Plan

The Company’s Stock Option Plan (the “**Stock Option Plan**”) was originally approved by the shareholders at the Company’s 2022 AGM, with minor amendments approved by the Board in February 2024. The February 2024 amendment was to amend Section 4.12 of the Stock Option Plan to clarify that the requirement to apply a four month TSX-V hold period extends to Consultants as well as Insiders and options granted with an exercise price less than the Market Price as required under the policies of the TSX-V. As a “rolling” stock option plan, the Stock Option Plan is required to be re-approved by the shareholders each year at the Company’s annual general meeting.

The purpose of the Stock Option Plan is to attract and motivate directors, senior officers, employees, consultants and others providing services to the Company and its subsidiaries, and thereby advance the Company's interests, by affording such persons with an opportunity to acquire an equity interest in the Company through the issuance of stock options. The Company is currently listed on Tier 1 of the TSX Venture Exchange (the "TSX-V") and has adopted a "rolling" stock option plan reserving a maximum of 10% of the issued shares of the Company at the time of the stock option grant.

Summary of Stock Option Plan Provisions

The following information is intended as a brief description of the Company's Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting. Capitalized terms are as defined in the Stock Option Plan .

- The aggregate number of Common Shares that may be reserved for issuance pursuant to Options shall not exceed 10% of the outstanding Common Shares at the time of the granting of an Option, less the aggregate number of Common Shares then reserved for issuance pursuant to any other share compensation arrangement.
- The exercise price per Common Share for an Option shall be determined by the Board, but will in no event be less than the permitted discount to the Market Price for the Common Shares at the date of grant.
- Options expiring during a Blackout Period will be extended to the date that is 10 business days after the expiration of the Blackout Period, provided that (i) the Blackout Period was formally imposed under the policies of the Company due to the bona fide existence of undisclosed Material Information, (ii) the Blackout Period expired due to the disclosure of the undisclosed Material Information, and (iii) the Company is not subject to any cease trade order or similar order under applicable securities laws.
- The number of Common Shares reserved for issuance in any 12 month period under the Stock Option Plan and any other compensation arrangement involving the issuance or potential issuance of Common Shares to:
 - (a) any one person may not exceed 5% of the outstanding Common Shares at the time of the grant (unless the Company has obtained disinterested shareholder approval pursuant to the policies of the TSX-V);
 - (b) any one consultant may not exceed 2% of the outstanding Common Shares at the time of the grant; and
 - (c) any one person that is an Investor Relations Service Provider may not exceed 2% of the outstanding Common Shares at the time of grant.
- In addition, unless the Company has obtained disinterested shareholder approval pursuant to the policies of the TSX-V, the number of Common Shares reserved for Issuance under the Stock Option Plan and any other compensation arrangement involving the issuance or potential issuance of Common Shares to Insiders:
 - (a) may not exceed 10% of the Common Shares outstanding at any point in time; and
 - (b) may not result in the issuance to Insiders within a one year period of more than 10% of the outstanding Common Shares
- Upon expiry of an option, or in the event an option is otherwise terminated for any reason without having been exercised, the number of Common Shares that were subject to the expired or terminated option shall again be available for the purposes of the Stock Option Plan.
- Options granted under the Stock Option Plan, may not have a term exceeding 10 years after the date of the grant.
- Options may be exercised by means of a "cashless exercise" or "net exercise", provided that Board continues to have discretion whether or not to permit any cashless exercise or net exercise of any options. As set forth under the Stock Option Plan, a "cashless exercise" of an option would involve an arrangement with the Company whereby a brokerage firm would lend funds to an optionee to exercise options granted under the Stock Option Plan, with the brokerage firm then selling a sufficient number of shares to repay the loan, the brokerage firm

receiving an equivalent number of shares issued from the exercise of the options, and the optionee receiving the balance of the shares issued upon exercise. A “net exercise” of an would involve an optionee not making any cash payment for the exercise of an option, with the optionee instead receiving only that number of shares that is equal to the quotient obtained by dividing (a) the product of the number of options being exercised and the difference between (i) the VWAP of the shares and (ii) the exercise price of the subject options, by (b) the VWAP of the shares.

- If an Optionee is terminated for cause, each Option held by such participant will terminate immediately and will cease to be exercisable.
- If an Optionee dies or suffers a disability prior to expiry of an Option, any Options that vested prior to such death or disability may be exercised by the participant’s legal representatives until the earlier of the one year anniversary of the Optionee’s date of death or disability, and the scheduled expiry date of those Options.
- If an Optionee ceases to qualify for participation under the Stock Option Plan for any reason other than a termination for cause or death or disability, any Options that vested prior to such termination may be exercised for a period of 90 days after termination unless otherwise determined by the Board.
- Any Options that do not vest prior to the participant ceasing to qualify for participation under the Stock Option Plan may not be exercised.
- Subject to prior approval by the TSX-V and, in certain instances, disinterested shareholder approval in accordance with the policies of the TSX-V, adjustments to the Stock Option Plan may be made by the Board, in its discretion.

The Board retains the discretion to impose vesting periods on any options granted. In accordance with the policies of the TSX-V, Options granted to persons that are Investor Relations Service Providers must vest in stages over a minimum of 12 months with no more than one-quarter of the stock options vesting in any three month period.

Upon request, the Company will promptly provide a copy of the Stock Option Plan free of charge to any securityholder of the Company. Shareholders are asked to pass the following ordinary resolution (meaning a resolution passed by the majority of votes cast in person or by proxy at the Meeting) authorizing the re-approval of the Stock Option Plan.

“RESOLVED AS AN ORDINARY RESOLUTION, THAT:

1. The stock option plan (the “**Stock Option Plan**”) of Atlas Engineered Products Ltd. (the “**Company**”) be and the same is hereby ratified, confirmed and approved, and shall thereafter continue and remain in effect until ratification is required pursuant to the rules of the TSX Venture Exchange or other applicable regulatory requirements; and
2. Any director or officer of the Company is hereby authorized and directed, for and on behalf of the Company, to do all things and to execute, deliver and file all such agreement, documents and instruments, and to do all such other acts and things, as such director or officer deems necessary or desirable to give effect to the forgoing resolutions.

The Board unanimously recommends that shareholders vote “for” the ratification and approval of the Stock Option Plan.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com. Financial information about the Company is provided in the Company’s comparative annual financial statements to December 31, 2023 a copy of which, together with Management’s Discussion and Analysis thereon, can be found on the Company’s SEDAR profile at www.sedar.com. Shareholders may contact the Company as set out below to request copies of the Company’s financial statements and Management’s Discussion Analysis.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.
DATED at Vancouver, British Columbia, the 21st day of October, 2024.

ON BEHALF OF THE BOARD

/s/ Mohammad Hadi Abassi

Mohammad Hadi Abassi
Chief Executive Officer and President

SCCHEDULE “A”

ATLAS ENGINEERED PRODUCTS LTD. (the “Company”)

AUDIT COMMITTEE CHARTER

(Implemented pursuant to National Instrument 52-110 – *Audit Committees*)

National Instrument 52-110 – *Audit Committees* (the “**Instrument**”) relating to the composition and function of audit committees was implemented for reporting issuers and, accordingly, applies to every TSX Venture Exchange listed company, including the Company. The Instrument requires all affected issuers to have a written audit committee charter which must be disclosed, as stipulated by Form 52-110F2, in the management information circular of the Company wherein management solicits proxies from the security holders of the Company for the purpose of electing directors to the board of directors. The Company, as a TSX Venture Exchange-listed company is, however, exempt from certain requirements of the Instrument.

This Charter has been adopted by the board of directors in order to comply with the Instrument and to more properly define the role of the Committee in the oversight of the financial reporting process of the Company. Nothing in this Charter is intended to restrict the ability of the board of directors or Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

PART 1

Purpose:

The purpose of the Committee is to:

- (a) improve the quality of the Company’s financial reporting;
- (b) assist the board of directors to properly and fully discharge its responsibilities;
- (c) provide an avenue of enhanced communication between the directors and external auditors;
- (d) enhance the external auditor’s independence;
- (e) increase the credibility and objectivity of financial reports; and
- (f) strengthen the role of the directors by facilitating in depth discussions between directors, management and external auditors.

1.1 Definitions

“**Accounting principles**” has the meaning ascribed to it in National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

“**Affiliate**” means a Company that is a subsidiary of another Company or companies that are controlled by the same entity;

“**Audit services**” means the professional services rendered by the Company's external auditor for the audit and review of the Company's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

“**Charter**” means this audit committee charter;

“**Committee**” means the committee established by and among certain members of the board of directors for the purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company;

“**Control person**” means any individual or company that holds or is one of a combination of individuals or companies that holds a sufficient number of any of the securities of the Company so as to affect materially the control of the Company, or that holds more than 20% of the outstanding voting shares of the Company except where there is evidence showing that the holder of those securities does not materially affect the control of the Company;

“**Financially literate**” has the meaning set forth in Section 1.2;

“**Immediate family member**” means a person's spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person's immediate family member) who shares the individual's home;

“**Instrument**” means National Instrument 52-110 – *Audit Committees*;

“**MD&A**” has the meaning ascribed to it in National Instrument 51-102;

“**Member**” means a member of the Committee;

“**National Instrument 51-102**” means National Instrument 51-102 - *Continuous Disclosure Obligations*; and

“**Non-audit services**” means services other than audit services.

1.2 Meaning of Financially Literate

For the purposes of this Charter, an individual is financially literate if they have 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.

PART 2

6.1 Audit Committee

The board of directors has hereby established the Committee for, among other purposes, compliance with the Instrument.

6.2 Relationship with External Auditors

The Company will require its external auditor to report directly to the Committee and the Members shall ensure that such is the case.

6.3 Committee Responsibilities

1. The Committee shall be responsible for making the following recommendations to the board of directors:
 - (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
 - (b) the compensation of the external auditor.
2. The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:
 - (a) reviewing the audit plan with management and the external auditor;
 - (b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
 - (c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
 - (d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
 - (e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtaining an explanation from management of all significant variances between comparative reporting periods;
 - (f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow up to any identified weakness;
 - (g) reviewing interim unaudited financial statements before release to the public;

- (h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report and management's discussion and analysis;
 - (i) reviewing the evaluation of internal controls by the external auditor, together with management's response;
 - (j) reviewing the terms of reference of the internal auditor, if any;
 - (k) reviewing the reports issued by the internal auditor, if any, and management's response and subsequent follow up to any identified weaknesses; and
 - (l) reviewing the appointments of the Chief Financial Officer and any key financial executives involved in the financial reporting process, as applicable.
3. The Committee shall review the Company's financial statements, MD&A, and annual and interim earnings press releases before the Company publicly discloses this information.
 4. The Committee shall ensure 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 and shall periodically assess the adequacy of those procedures.
 5. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102, and the planned steps for an orderly transition.
 6. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in National Instrument 51-102, on a routine basis, whether or not there is to be a change of auditor.
 7. The Committee shall, as applicable, establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
 8. As applicable, the Committee shall establish, periodically 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 issuer, as applicable.
 9. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.

6.4 Non-Audit Services

The Committee shall satisfy the pre-approval requirement in subsection 2.3(3) if:

- (a) the aggregate amount of all the 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

issuer and its subsidiary entities to the issuer's external auditor during the financial year in which the services are provided;

- (b) the Company or the subsidiary of the Company, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- (c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

6.5 Delegation of Pre-Approval Function

1. The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2.3(3).
2. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 2.5(1) must be presented to the Committee at its first scheduled meeting following such pre-approval.

PART 3

3.1 Composition

1. The Committee shall be composed of a minimum of three members of the Board, as well as, the Chief Financial Officer as a Company representative and non-voting member.
2. Every Member shall be a director of the Company.
3. The majority of Members shall not be employees, Control Persons or officers of the Company.
4. Each audit committee member must be financially literate as defined in section 1.2.

PART 4

4.1 Authority

Until the replacement of this Charter, the Committee shall have 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 Committee;
- (c) communicate directly with the internal and external auditors; and
- (d) recommend the amendment or approval of audited and interim financial statements to the board of directors.

PART 5

5.1 Disclosure in Information Circular

If management of the Company solicits proxies from the security holders of the Company for the purpose of electing directors to the board of directors, the Company shall include in its management information circular the disclosure required by Form 52-110F2 (Disclosure by Venture Issuers).

PART 6

6.1 Meetings

1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.
2. Opportunities shall be afforded periodically to the external auditor, the internal auditor and to members of senior management to meet separately with the Members.
3. Minutes shall be kept of all meetings of the Committee.

PART 7

7.1 Currency of this Charter

1. This charter was last revised and approved by the Board on May 27, 2024.

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